

DELAWARE VALLEY REGIONAL HIGH SCHOOL
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

**DELAWARE VALLEY REGIONAL HIGH SCHOOL
BOARD OF EDUCATION
ALEXANDRIA TOWNSHIP, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**Prepared by
DELAWARE VALLEY REGIONAL HIGH SCHOOL
BOARD OF EDUCATION
DEPARTMENT OF ADMINISTRATION**

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal	2
Organizational Chart	3
Roster of Officials	4
Consultants and Advisors	5
FINANCIAL SECTION	
Independent Auditor's Report	7-9
Required Supplementary Information – Part I	
Management's Discussion and Analysis	11
Basic Financial Statements	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	14
A-2 Statement of Activities	15
B. Fund Financial Statements	
Governmental Funds:	
B-1 Balance Sheet	17-18
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	19-20
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Proprietary Funds:	
B-4 Combining Statement of Fund Net Position	22
B-5 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	23
B-6 Combining Statement of Cash Flows	24
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	25
B-8 Statement of Changes in Fiduciary Net Position	26
Notes to the Financial Statements	28-49
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule-General Fund	52-57
C-1A Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual	58
C-2 Budgetary Comparison Schedule-Special Revenue Fund	59
Notes to the Required Supplementary Information:	
C-3 Budget-to-GAAP Reconciliation	61

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
(Continued)

<u>EXHIBIT</u>	SECTION II	<u>PAGE</u>
----------------	-------------------	-------------

FINANCIAL SECTION (Continued)

Other Supplemental Information

D. School Level Schedule	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenue and Expenditures Special Revenue Fund-Budgetary Basis	65
F. Capital Projects Fund	N/A
G. Proprietary Funds	
Enterprise Fund:	
G-1 Combining Statement of Fund Net Position	68
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	69
G-3 Combining Statement of Cash Flows	70
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	72
H-2 Combining Statement of Changes in Fiduciary Net Position	73
H-3 Student Activity Agency Fund Statement of Changes in Assets and Liabilities	74
H-4 Payroll Agency Fund Statement of Changes in Assets and Liabilities	75
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	77
I-2 Schedule of Obligations Under Capital Leases	78
I-3 Debt Service Fund Budgetary Comparison Schedule	79

SECTION III

STATISTICAL SECTION

Table of Contents	81
J-1 Net Position by Component	82
J-2 Changes in Net Position	83-85
J-3 Fund Balances, Governmental Funds	86
J-4 Changes in Fund Balances, Governmental Funds	87
J-5 Local Tax Levy by Constituent District	88

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
(Continued)

<u>EXHIBIT</u>	SECTION III (Cont'd)	<u>PAGE</u>
	STATISTICAL SECTION (Cont'd)	
	Table of Contents (Cont'd)	
J-6	General Fund-Other Local Revenues by Source	89
J-7	Assessed Value and Actual Value of Taxable Property All Constituent Districts	90
J-8	Assessed Value and Actual Value of Taxable Property to	
J-12	by Constituent District	91-95
J-13	Direct and Overlapping Property Tax Rates to	
J-17	by Constituent District	96-100
J-18	Principal Property Taxpayers to	
J-22	by Constituent District	101-105
J-23	Property Tax Levies and Collections-All Constituent Districts	106
J-24	Property Tax Levies and Collections to	
J-28	by Constituent District	107-111
J-29	Ratios of Outstanding Debt by Type	112
J-30	Ratios of General Bonded Debt Outstanding	113
J-31	Direct and Overlapping Governmental Activities Debt to	
J-35	by Constituent District	114-118
J-36	Legal Debt Margin Information	119
J-37	Demographic and Economic Statistics	120
J-38	Principal Employers	121
J-39	Full Time Equivalent Employees by Function/Program	122
J-40	Operating Statistics	123
J-41	School Building Information	124
J-42	Schedule of Required Maintenance	125
J-43	Insurance Schedule	126
	SECTION VI	
	SINGLE AUDIT SECTION	
K-1	Independent Auditor's Report-Government Auditing Standards	128-129
K-2	Independent Auditor's Report-OMB Circular A-133	130-132
K-3	Schedule of Expenditures of Federal Awards, Schedule A	133
K-4	Schedule of Expenditures State Financial Assistance, Schedule B	134
K-5	Notes to Schedules of Financial Assistance	135-136
K-6	Schedule of Findings and Questioned Costs	137-139
K-7	Summary Schedule of Prior Audit Findings	139

INTRODUCTORY SECTION

Delaware Valley Regional High School Board of Education



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Daria A. Wasserbach
Superintendent

Teresa E. Barna, RSBO
Business Administrator/Board Secretary

October 17, 2014

Honorable President and
Members of the Board of Education
Delaware Valley Regional High School District
County of Hunterdon, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Delaware Valley Regional High School District for the fiscal year ended June 30, 2014, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments, and Nonprofit Organizations" and New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

- 1.) **REPORTING ENTITY AND ITS SERVICES:** Delaware Valley Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Delaware Valley Regional High School Board of Education constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational and special education. The District completed the 2013-2014 fiscal year with an enrollment of 945 students. The following details the changes in the student enrollment of the District over the last several years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	% Enrollment Change
2013-14	945	-2.88%
2012-13	973	-0.20%
2011-12	975	-2.69%
2010-11	1,002	-1.57%
2009-10	1,018	4.19%
2008-09	977	-1.21%
2007-08	989	-1.59%

2006-07	1,005	3.61%
2005-06	970	2.54%
2004-05	946	-0.42%
2003-04	950	8.50%
2002-03	876	0.90%

- 2.) **ECONOMIC CONDITION AND OUTLOOK:** The Delaware Valley Regional High School is composed of five municipalities: Alexandria Township, Frenchtown Borough, Holland Township, Kingwood Township, and Milford Borough. Primarily rural/residential, the area contains a relatively small number of businesses to support the tax base. The State of New Jersey has been reducing State Aid in recent years to offset increases in the state budget. This action, if continued, has the potential to cause a steady increase in local municipal taxes which could have a detrimental effect on our taxing ability.

Since the completion of Route 78, the commuter population has migrated westward into the Delaware Valley Region, primarily into Alexandria and Kingwood Townships. As a result, over the last few decades, the residential population, including school age children, has been increasing. In 1975, the 89 square miles comprising the Regional District contained about 11,800 residents. By 1990, that number had increased to 14,612. According to the official data from the 2010 U.S. Census, the Delaware Valley Regional was comprised of 16,680 people broken down by municipalities as follows:

Alexandria Township	-	4,938
Frenchtown Borough	-	1,373
Holland Township	-	5,291
Kingwood Township	-	3,845
Milford Borough	-	1,233

While the high school enrollment levels are relatively stable. The local elementary districts are reporting reduced levels of enrollment, which will eventually reach and affect the high school population.

- 3) **STUDENT PROGRESS:** Two hundred and forty-five (245) students comprised Delaware Valley's 2014 graduating class. Among these graduates, two hundred and twenty-one (221) (90.2%) have enrolled in either technical schools or two or four-year colleges. Six (6) (2.4%) seniors entered the United States Armed Forces and eighteen (18) (7.3%) other graduates were directly employed or did not indicate what activity they would pursue following graduation.

Each spring the state required High School Proficiency Assessment is administered to eleventh graders in New Jersey. One hundred Ninety-four (194) Delaware Valley juniors took the HSPA in March, 2014. One hundred eighty-seven (187) (96.3%) passed the Language Arts Literacy and one hundred seventy-six (176) (90.7%) passed the mathematics section. Students who failed one or both parts have two more opportunities to pass. A passing score on both sections are required in order to receive a state endorsed high school diploma.

Offered is a comprehensive program, consisting primarily of in-house courses, which includes some out-of-district placements for handicapped, disadvantaged and special needs students. These and other programs have kept our dropout rate consistently at or below 1%.

- 4.) **INTERNAL ACCOUNTING CONTROLS:** Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the district is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

As part of the single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

- 5.) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.
- An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2014.
- 6.) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.
- 7.) **DEBT ADMINISTRATION:** At June 30, 2014, the district's outstanding debt issues included \$3,055,000 of general obligation bonds. The bonds are a result of a referendum for construction and equipment additions and renovations to Delaware Valley Regional High School issued on December 14, 2003, and the Transportation Service Fund's issuance of a new capital lease in fiscal year 2012 for the purchase of six (6) new buses. The proceeds of this bond issue are to provide funds for capital improvements to the District's building and grounds.
- 8.) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 9.) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, content, and fidelity bonds. The Board oversees risk management for the District. A schedule of insurance coverage is found on J-20.
- 10.) **OTHER INFORMATION: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of William Colantano, Jr., CPA, Registered Municipal Accountants, Public School Accountants, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the single Audit Act of 1996 and the related OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and State Treasury Circular Letter NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statement and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.
- 11.) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Delaware Valley Regional High School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



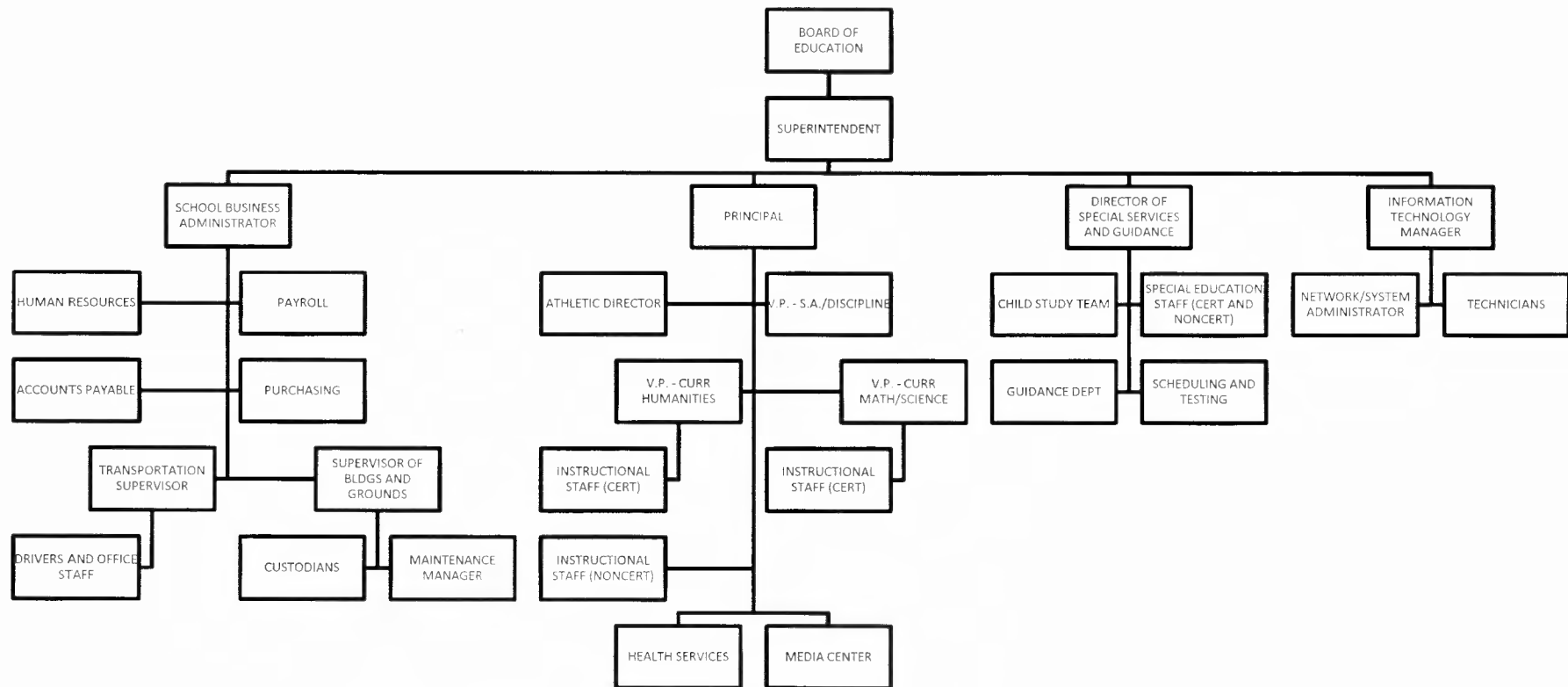
Daria A. Wasserbach
Superintendent of Schools



Teresa E. Barna
Board Secretary/Business Administrator

DELAWARE VALLEY REGIONAL HIGH SCHOOL BOARD OF EDUCATION
ORGANIZATIONAL CHART

Adopted: JULY 15, 2013



**DELAWARE VALLEY REGIONAL HIGH SCHOOL BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2014**

Name	Municipality	Term Expires
Ellen Gordon, President	Milford Borough	2016
Brett Reina, Vice-President	Holland Township	2015
A. William Dietze	Kingwood Township	2014
Debora Frank	Kingwood Township	2015
Robert Haver	Frenchtown Borough	2014
Dr. Sandra Howell	Holland Township	2016
Sharon Kelly	Alexandria Township	2015
William Martin	Holland Township	2016
David Sousa	Alexandria Township	2014

Other Officials

Daria A. Wasserbach, Superintendent of Schools

Teresa E. Barna, School Business Administrator/Board Secretary

Raymond Krov, Treasurer of School Monies

DELAWARE VALLEY REGIONAL HIGH SCHOOL BOARD OF EDUCATION**CONSULTANTS AND ADVISORS
JUNE 30, 2014**

Audit Firm:	William Colantano, Jr., CPA 100 Route 31 North Washington, NJ 07882
Architect:	Settembrino Architects 25 Bridge Avenue, Suite 201 Red Bank, NJ 07701
Attorney:	Fogarty & Hara, Counselors at Law 16-00 Route 208 South Fair Lawn, NJ 07410
Official Depository:	TD Bank 1 Royal Road Flemington, NJ 08822
School Physician:	Delaware Valley Family Health Center 200 Frenchtown Road Milford, NJ 08848
Financial Advisor:	Phoenix Advisors 4 West Park Street Bordentown, NJ 08505

FINANCIAL SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
Fax # (908) 689-8388
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INDEPENDENT AUDITOR'S REPORT

October 17, 2014

Honorable President and
Members of the Board of Education
Delaware Valley Regional High
School District
County of Hunterdon, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Delaware Valley Regional High School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the schedule of state financial assistance as required by NJ OMB 04-04 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of state financial assistance as required by NJ OMB 04-04 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

William M. Colantano, Jr.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedule of state financial assistance as required by NJ OMB 04-04 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 17, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

William M. Colantano, Jr.

REQUIRED SUPPLEMENTARY INFORMATION-PART I

**DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FRENCHTOWN, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
UNAUDITED**

The discussion and analysis of the Delaware Valley Regional High School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2014 are as follows:

- In total, net position increased \$265,923, which represents a 2.3% increase from fiscal year 2013.
- General revenues accounted for \$19,164,397 or 82.21% percent of all revenues. Program specific revenues in the form of operating grants and contributions, and charges for services, accounted for \$4,147,815, or 17.79% percent of the total revenues of \$23,212,212.
- The school district had \$22,997,867 in total expenses, \$4,147,815 of these expenses were offset by program specific charges, grants or contributions. General revenues (primarily taxes) of \$19,164,397 were adequate to provide for these expenses.
- Among governmental funds, the General Fund had \$18,664,718 in revenues and \$19,224,590 in expenditures. After factoring in other financing sources of \$189,277, the General Fund's balance decreased \$420,595 from fiscal year 2013. This can be explained by the district renovating the facilities with several construction projects in fiscal year 2014.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Delaware Valley Regional High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of the Delaware Valley Regional High School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the questions, "How did we do financially in 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the school district has improved or diminished. The changes may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- **Governmental activities** – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- **Business-type activities** – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and the Transportation Service enterprise funds are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund.

Governmental Funds

The District's primary activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the school district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds (Enterprise Funds)

These funds use the same basis of accounting as business-type activities and are used to account for the District's activities which operate like a business. The District has three enterprise funds. The Food Service Fund accounts for the activities of the cafeteria, the joint transportation activities servicing the District and the five elementary sending districts are recorded in the Transportation Service Fund, and the Technology Service Fund accounts for technology services provided to two of the elementary sending districts.

Fiduciary Funds

The activities in which the District acts solely as a trustee or agent for the benefit of others are reported here.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the District's net position at June 30, 2014 with comparisons to June 30, 2013.

Table 1
Net Position

	6/30/14	6/30/13	Variance	
			Dollars	%
Current & Other Assets	\$2,489,975	\$2,955,798	(\$465,823)	(15.76)
Capital Assets	13,453,547	13,305,562	147,985	1.11
Total Assets	15,943,522	16,261,360	(317,838)	(1.95)
Long-Term Liabilities	3,957,193	4,362,939	(405,746)	(9.30)
Other Liabilities	114,001	292,016	(178,015)	(60.96)
Total Liabilities	4,071,194	4,654,955	(583,761)	(12.54)
Net Position				
Net Investment in Capital Assets	10,566,568	9,909,242	657,326	6.63
Restricted	878,685	1,233,893	(355,208)	(28.79)
Unrestricted	427,075	463,270	(36,195)	(7.81)
Total Net Position	\$11,872,328	\$11,606,405	\$265,923	2.29

- Total assets decreased by \$317,838; as cash and cash equivalents decreased \$187,267; receivables decreased \$277,291; capital assets increased \$147,985 and other assets increased \$735.
- Unrestricted net position, the part of net position that can be used to finance day-to-day activities without legal constraints established by parties outside of the District, decreased by \$36,195.

Table 2 provides a summary of the District's changes in net position in fiscal year 2014 with comparisons to 2013.

Table 2
Changes in Net Position

	Fiscal Year Ending		Variance	
	6/30/14	6/30/13	Dollars	%
Revenues				
Program Revenues:				
Charges for Services	\$3,876,326	\$3,538,114	\$338,212	9.56
Operating Grants	271,489	274,745	(3,256)	(1.19)
General Revenues:				
Property Taxes	13,690,086	13,482,637	207,449	1.54
Unrestricted Grants	5,406,445	5,415,942	(9,497)	(0.18)
Other	67,866	140,201	(72,335)	(51.59)
Total Revenues	<u>23,312,212</u>	<u>22,851,639</u>	<u>460,573</u>	2.02
Program Expenses				
Instruction:				
Regular	6,783,272	6,562,855	220,417	3.36
Special	1,544,142	1,911,556	(367,414)	(19.22)
Other	1,442,547	1,334,004	108,543	8.14
Support Services:				
Tuition	940,653	1,061,429	(120,776)	(11.38)
Student & Instructional Staff	3,570,980	2,849,424	721,556	25.32
General & Business Administration	1,352,168	1,304,187	47,981	3.68
School Administration	599,975	599,512	463	0.08
Maintenance	1,917,835	1,744,118	173,717	9.96
Transportation	4,270,739	4,174,550	96,189	2.30
Food Service	452,199	435,304	16,895	3.88
Interest on Long-Term Debt	<u>123,357</u>	<u>133,563</u>	<u>(10,206)</u>	(7.64)
Total Expenses	<u>22,997,867</u>	<u>22,110,502</u>	<u>887,365</u>	4.01
Increases (Decreases) Before Special Items	<u>314,345</u>	<u>741,137</u>	<u>(426,792)</u>	(57.59)
Special Items:				
Special Items:				
Insurance Proceeds for Storm Damage		489,480	(489,480)	(100.00)
Gain/(Loss) on Deletion of Assets	<u>(48,422)</u>	<u>(4,530)</u>	<u>(43,892)</u>	968.92
Total Special Items	<u>(48,422)</u>	<u>484,950</u>	<u>(533,372)</u>	(109.98)
Increase (Decrease) in Net Position	<u>\$265,923</u>	<u>\$1,226,087</u>	<u>\$(960,164)</u>	(78.31)

Governmental Activities

Property taxes made up 69.9% percent of revenues for governmental activities for the Delaware Valley Regional High School District for fiscal year 2014. The District's total revenues were \$19,599,866 for the year ended June 30, 2014. Federal, state and local grants accounted for 27.6% percent of revenue. The total cost of all programs and services was \$19,330,398. Instruction comprises 50.6% percent of district expenses while support services comprised 48.8% percent and interest on long-term debt comprised .6%.

Business-type Activities

Revenue from the District's business-type activities (food service and transportation program) was comprised mostly of charges for services, and federal and state reimbursements.

- The Food Service Fund operated at a loss of \$55,501 for fiscal year 2014, and has a substantial fund balance of \$119,537 as of June 30, 2014. Sales revenues amounted to \$339,217 while federal and state reimbursement for meals, including payments for free and reduced lunches, and donated commodities was \$57,465.
- The Transportation Service Fund operated at a profit of \$88,787 for fiscal year 2014. Fund balance as of June 30, 2014 of \$1,397,226 is comprised mostly of the amount invested in capital assets for the bus fleet, a transportation garage building, and other equipment assets. Unrestricted "free" fund balance of \$822,639 is available for future operations of the fund.
- The Technology Service Fund operated to a profit of \$15,909 for fiscal year 2014. Fees collected were \$176,483 while operating expenses were \$160,574.

Table 3 provides a summary of the District's cost of governmental services in 2014 and 2013.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	6/30/14	6/30/13	6/30/14	6/30/13
Instruction	\$9,769,961	\$9,808,415	\$9,583,550	\$9,647,184
Support Services:				
Tuition	940,653	1,061,429	760,449	874,973
Student & Instructional Staff	3,570,980	2,849,424	3,527,985	2,819,951
General & Business Administration	1,191,594	1,304,187	1,167,784	1,147,742
School Administration	599,975	599,512	599,975	599,512
Plant Operations & Maintenance	1,917,835	1,744,118	1,911,277	1,719,203
Pupil Transportation	1,216,043	1,166,677	1,216,043	1,217,875
Interest on Long-Term Debt	123,357	133,563	123,357	133,563
Total Expenses	<u>\$19,330,398</u>	<u>\$18,667,325</u>	<u>\$18,890,420</u>	<u>\$18,160,003</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and students, including extracurricular activities.

Student and instructional staff expenses include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General, business and school administration, include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of plant services includes expenses to keep the school grounds, building and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities.

Interest on long-term debt is the cost incurred on the repayment of general obligation bonds issued to finance improvements to the school facilities.

The dependence upon tax revenue is apparent. For all activities, tax revenue support is 59.0%. The community as a whole is the primary support for the Delaware Valley Regional High School District.

The School District's Funds

Information about the District's major funds starts on page 17. All governmental funds (e.g., general fund, special revenue fund, capital projects fund and debt service fund) are accounted for using the modified accrual basis of accounting. Revenues for all governmental funds totaled \$19,434,706 and expenditures were \$20,065,914. The net decrease in fund balances of \$441,931 was most significant in the General Fund, which decrease by \$420,595. Expenditures on construction projects reduced General Fund surplus to \$1,544,546.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

For the General Fund, budget based revenues amounted to \$17,504,813 which was more than original budget estimates by \$314,231. This can be explained mostly by unanticipated or unbudgeted revenue of extraordinary aid.

Capital Assets

At the end of the fiscal year 2014, the School District has \$13,453,547 invested in buildings, land, vehicles, equipment, and construction in progress. Some of the more significant asset acquisitions included a ticket booth, remediation of an underground storage tank, a parking lot repaving and an auditorium sound system.

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	6/30/14	6/30/13	Variance	
			Dollars	%
Land	\$36,845	\$36,845	\$-	0.00
Construction in Progress	484,258	262,052	222,206	84.79
Land Improvements	696,014	753,750	(57,736)	(7.66)
Buildings & Improvements	10,862,061	10,756,408	105,653	0.98
Machinery & Equipment	800,516	771,098	29,418	3.82
Vehicles	573,853	725,409	(151,556)	(20.89)
Total	<u>\$13,453,547</u>	<u>\$13,305,562</u>	<u>\$147,985</u>	1.11

* = Undefined

At June 30, 2014, the District had \$3,957,193 in long-term liability obligations. The district leased a network traffic device and 260 ipad air devices for \$189,277 in fiscal year 2014. A summary of the District's outstanding debt as of June 30, 2014 with comparisons to June 30, 2013 is provided in Table 5 below:

Table 5
Long-term Liabilities at Year-end

	6/30/14	6/30/13	Variance	
			Dollars	%
Governmental Funds:				
2012 Refunding Bonds	2,580,000	3,055,000	(475,000)	(15.55)
Unamortized Bond Premium	165,396	201,814	(36,418)	(18.05)
Capital Lease Payable	189,277		189,277	
Compensated Absences Payable	764,074	764,805	(731)	(0.10)
Business-Type Funds:				
Capital Leases Payable	258,446	341,320	(82,874)	(24.28)
Total	<u>\$3,957,193</u>	<u>\$4,362,939</u>	<u>\$(405,746)</u>	<u>(9.30)</u>

* = Undefined

Factors Bearing on the District's Future

The Delaware Valley Regional High School District is in satisfactory financial condition at this time. The School District is proud of its community support of the public schools. The School District has continued to grow its program offerings for its students while being sensitive to the taxpayers. One of the areas the District will continue to explore is the sharing of services with its constituent K-8 Districts. There is a need to update the infrastructure of the building in order to remain current. Another major concern is the continued reliance on local property taxes as a means of funding.

In conclusion, the Delaware Valley Regional High School District has committed itself to financial excellence for many years. Further, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors, with a general overview of the School District's finances and to show the School District's accountability for the funds it receives. If you have questions about this report or need additional information, contact the School Business Administrator, in the office of the Delaware Valley Regional High Board of Education, 19 Senator Stout Road, Frenchtown, NJ 08825.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 413,766	\$ 530,676	\$ 944,442
Receivables, Net	323,741	338,306	662,047
Inventory		4,801	4,801
Restricted Assets:			
Cash & Cash Equivalents	878,685		878,685
Capital Assets (Note 4):			
Land and Construction in Progress	521,103		521,103
Other Capital Assets, net of depreciation	12,009,359	923,085	12,932,444
Total Assets	<u>14,146,654</u>	<u>1,796,868</u>	<u>15,943,522</u>
LIABILITIES			
Accounts Payable	46,987	175	47,162
Accrued Interest	36,605		36,605
Unearned Revenue	24,659	5,575	30,234
Long-Term Liabilities (Note 5):			
Due Within One Year	607,376	84,490	691,866
Due Beyond One Year	3,091,371	173,956	3,265,327
Total Liabilities	<u>3,806,998</u>	<u>264,196</u>	<u>4,071,194</u>
NET POSITION			
Net Investment in Capital Assets	9,901,929	664,639	10,566,568
Restricted for:			
Legal Reserves	878,685		878,685
Unrestricted	<u>(440,958)</u>	<u>868,033</u>	<u>427,075</u>
TOTAL NET POSITION	<u>\$ 10,339,656</u>	<u>\$ 1,532,672</u>	<u>\$ 11,872,328</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business- Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 4,835,077	\$ 1,948,195	\$ 100,383	\$ 3,685		\$ (6,679,204)		\$ (6,679,204)
Special Education	1,040,705	503,437	61,791			(1,482,351)		(1,482,351)
Other Special Instruction	21,550	6,925		19,882		(8,593)		(8,593)
Other Instruction	1,039,861	374,211	670			(1,413,402)		(1,413,402)
Support Services:								
Tuition	940,653			180,204		(760,449)		(760,449)
Students & Instruction Related Services	2,485,414	1,085,566	32,742	10,253		(3,527,985)		(3,527,985)
General & Business Administration Services	941,308	250,286	23,810			(1,167,784)		(1,167,784)
School Administration Services	417,724	182,251				(599,975)		(599,975)
Plant Operations & Maintenance	1,658,013	259,822	6,558			(1,911,277)		(1,911,277)
Pupil Transportation	1,216,358	(315)				(1,216,043)		(1,216,043)
Interest on Long-Term Debt	123,357					(123,357)		(123,357)
Business-Type Activities:								
Food Service	452,199		339,217	57,465			(55,517)	(55,517)
Transportation	3,054,696		3,134,672				79,976	79,976
Technology Services	160,574		176,483				15,909	15,909
Total Business-Type Activities	3,667,469	-	3,650,372	57,465	-	-	40,368	40,368
Total Primary Government	<u>\$ 18,387,489</u>	<u>\$ 4,610,378</u>	<u>\$ 3,876,326</u>	<u>\$ 271,489</u>	<u>\$ -</u>	<u>(18,890,420)</u>	<u>40,368</u>	<u>(18,850,052)</u>
						Property Taxes Levied for General Purposes	13,134,122	13,134,122
						Property Taxes Levied for Debt Service	555,964	555,964
						Investment Earnings	3,504	3,504
						Miscellaneous Income	59,847	64,362
						Special Item-Gain/(Loss) on Deletion of Assets	(52,734)	(48,422)
						Total General Revenues and Special Items	19,107,148	19,115,975
						Change in Net Position	216,728	265,923
						Net Position-Beginning	10,122,928	11,606,405
						Net Position-Ending	<u>\$ 10,339,656</u>	<u>\$ 11,872,328</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Special Revenue	Capital Projects	Debt Service	Total Governmental
ASSETS					
Cash & Cash Equivalents	\$ 404,365	\$ 9,401			\$ 413,766
Due from Other Funds	5,000				5,000
Receivables from Other Governments:					
Federal		16,829			16,829
State	292,921				292,921
Local	8,963				8,963
Other Receivables	28				28
Restricted Cash & Equivalents	878,685				878,685
TOTAL ASSETS	<u>\$ 1,589,962</u>	<u>\$ 26,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,616,192</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 44,366	\$ 2,621			46,987
Unearned Revenue	1,050	23,609			24,659
Total Liabilities	<u>45,416</u>	<u>26,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>71,646</u>
Fund Balances:					
Committed Fund Balance:					
Capital Reserve Account	435,576				435,576
Maintenance Reserve Account	193,109				193,109
Emergency Reserve Account	250,000				250,000
Assigned Fund Balance:					
Year-End Encumbrances	126,340				126,340
Designated for Subsequent Year's Expenditures	300,000				300,000
Unassigned Fund Balance	239,521				239,521
Total Fund Balances	<u>1,544,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,544,546</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,589,962</u>	<u>\$ 26,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,616,192</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014
(Continued)

Total Fund Balances for Governmental Funds		\$ 1,544,546
Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:		
Capital assets used in government activities are not financial resources & therefore are not reported in the funds:		
The cost of the assets is	\$ 21,602,081	
and the accumulated depreciation is	<u>9,071,619</u>	12,530,462
Long-term liabilities, including bonds payable, are not due & payable in the current period & therefore are not reported as liabilities in the funds (See Note 5)		(3,698,747)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due		<u>(36,605)</u>
Total Net Position of Governmental Activities		<u><u>\$ 10,339,656</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 13,134,122			\$ 555,964	\$ 13,690,086
Tuition Charges	61,791				61,791
Interest Earned on Capital Reserve Funds	238				238
Interest on Investments	3,266				3,266
Local Contributions	2,400	\$ 3,685			6,085
Miscellaneous	56,456				56,456
Total	13,258,273	3,685	\$ -	555,964	13,817,922
State Sources	5,406,445				5,406,445
Federal Sources		210,339			210,339
Total Revenues	18,664,718	214,024	-	555,964	19,434,706
EXPENDITURES					
Current:					
Instruction:					
Regular Instruction	4,736,072	3,685			4,739,757
Special Education Instruction	1,039,553				1,039,553
Other Special Instruction	7,800	13,750			21,550
Cocurricular/School-Sponsored	993,760				993,760
Support Service & Undistributed Costs:					
Tuition	760,449	180,204			940,653
Student & Instruction Related Services	2,440,575	10,253			2,450,828
General & Other Administrative Services	915,654				915,654
School Administrative Services	414,962				414,962
Plant Operations & Maintenance	1,619,068				1,619,068
Pupil Transportation	1,216,358				1,216,358
Unallocated Benefits	4,215,646	6,132			4,221,778

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd)					
Capital Outlay:					
Equipment	\$ 119,209				\$ 119,209
Facilities Acquisition & Construction Services	768,503				768,503
Debt Services:					
Principal				\$ 475,000	475,000
Interest & Other Charges				102,300	102,300
Interest on NJ SDA obligations	26,981				26,981
Total Expenditures	<u>19,274,590</u>	<u>\$ 214,024</u>	<u>\$ -</u>	<u>577,300</u>	<u>20,065,914</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	<u>(609,872)</u>	<u>-</u>	<u>-</u>	<u>(21,336)</u>	<u>(631,208)</u>
Other Financing Sources (Uses):					
Capital Leases (Non-Budgeted)	<u>189,277</u>				<u>189,277</u>
Total Other Financing Sources (Uses)	<u>189,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,277</u>
Net Change in Fund Balances	(420,595)	-	-	(21,336)	(441,931)
Fund Balances, July 1	<u>1,965,141</u>	<u>-</u>	<u>-</u>	<u>21,336</u>	<u>1,986,477</u>
Fund Balances, June 30	<u>\$ 1,544,546</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,544,546</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Total Net Changes in Fund Balances-Governmental Fund (from B-2) \$ (441,931)

Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Proceeds from the disposition of assets is an other financing source in the governmental funds, while only the gain or loss is reported in the statement of activities. The difference, which is the cost basis of the assets disposed, is a reduction in the reconciliation:

Capital Outlays	\$ 887,712	
Cost Basis of Capital Assets Disposed	(52,734)	
Depreciation Expense	<u>(505,115)</u>	
		329,863

Governments funds report capital leases proceeds as financing sources whereas issuing debt increase long-term liabilities in the governmental wide statements. (189,277)

Repayment of bond principal and capital lease debt are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and are not reported in the statement of activities:

Bond Principal Payments		475,000
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Governmental funds report the effect of premiums when debt is first issued, whereas these amounts are Unearned & amortized in the statement of activities:

Amortization of Bond Premium		36,418
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In the statement of activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item. 5,924

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

		<u>731</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 216,728</u></u>
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DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business Type Activities Enterprise Funds			
	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 27,843	\$ 486,924	\$ 15,909	\$ 530,676
Receivables from Other Governments:				
State	244			244
Federal	2,172			2,172
Local		334,389		334,389
Other Receivables		1,501		1,501
Inventory	4,801			4,801
Total Current Assets	<u>35,060</u>	<u>822,814</u>	<u>15,909</u>	<u>873,783</u>
Noncurrent Assets:				
Capital Assets	257,078	3,725,670		3,982,748
Less: Accumulated Depreciation	<u>167,026</u>	<u>2,892,637</u>		<u>3,059,663</u>
Total Noncurrent Assets	<u>90,052</u>	<u>833,033</u>	<u>-</u>	<u>923,085</u>
Total Assets	<u>125,112</u>	<u>1,655,847</u>	<u>15,909</u>	<u>1,796,868</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable		175		175
Unearned Revenues	<u>5,575</u>			<u>5,575</u>
Total Current Liabilities	<u>5,575</u>	<u>175</u>	<u>-</u>	<u>5,750</u>
Long-Term Liabilities:				
Capital Leases-Due Within One Year		84,490		84,490
Capital Leases-Due Beyond One Year		<u>173,956</u>		<u>173,956</u>
Total Long-Term Liabilities	<u>-</u>	<u>258,446</u>	<u>-</u>	<u>258,446</u>
Total Liabilities	<u>5,575</u>	<u>258,621</u>	<u>-</u>	<u>264,196</u>
NET POSITION				
Net Investment in Capital Assets	90,052	574,587		664,639
Unrestricted	<u>29,485</u>	<u>822,639</u>	<u>15,909</u>	<u>868,033</u>
TOTAL NET POSITION	<u>\$ 119,537</u>	<u>\$ 1,397,226</u>	<u>\$ 15,909</u>	<u>\$ 1,532,672</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
Operating Revenues:				
Charges for Services:				
Daily Sales-Reimbursable Programs	\$ 140,720			\$ 140,720
Daily Sales-Nonreimbursable Programs	198,497			198,497
Transportation Fees		\$ 3,134,672		3,134,672
Technology Fees			\$ 176,483	176,483
Total Operating Revenues	<u>339,217</u>	<u>3,134,672</u>	<u>176,483</u>	<u>3,650,372</u>
Operating Expenses:				
Costs of Sales	180,852			180,852
Commodity Food Costs	17,462			17,462
Salaries	188,916	1,572,167	120,200	1,881,283
Employee Benefits	25,302	256,498	40,374	322,174
Purchased Professional/Technical Services		34,581		34,581
Purchased Property Services	1,640	29,186		30,826
Rental/Lease Payments for Vehicles		159,955		159,955
Contracted Services-Transportation		140,052		140,052
Insurance	2,243	26,749		28,992
Management Fee	8,839			8,839
Other Purchased Services	5,866	16,002		21,868
General Supplies	4,519	7,491		12,010
Transportation Supplies		173,475		173,475
Energy (Natural Gas)		8,366		8,366
Energy (Gasoline)		369,865		369,865
Depreciation	13,852	259,923		273,775
Miscellaneous	2,708	386		3,094
Total Operating Expenses	<u>452,199</u>	<u>3,054,696</u>	<u>160,574</u>	<u>3,667,469</u>
Operating Income (Loss)	<u>(112,982)</u>	<u>79,976</u>	<u>15,909</u>	<u>(17,097)</u>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	2,204			2,204
Federal Sources:				
National School Lunch Program	37,799			37,799
Food Donation Program	17,462			17,462
Miscellaneous	16	4,499		4,515
Total Nonoperating Revenues (Expenses)	<u>57,481</u>	<u>4,499</u>	<u>-</u>	<u>61,980</u>
Other Financing Sources (Uses):				
Gain (Loss) on Disposal of Assets		4,312		4,312
Total Other Financing Sources (Uses)	<u>-</u>	<u>4,312</u>	<u>-</u>	<u>4,312</u>
Change in Net Position	(55,501)	88,787	15,909	49,195
Total Net Position, Beginning	<u>175,038</u>	<u>1,308,439</u>	<u>-</u>	<u>1,483,477</u>
Total Net Position, Ending	<u>\$ 119,537</u>	<u>\$ 1,397,226</u>	<u>\$ 15,909</u>	<u>\$ 1,532,672</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
Cash Flows from Operating Activities:				
Receipts from Services Provided	\$ 342,430	\$ 2,962,563	\$ 176,483	\$ 3,481,476
Payments to Employees	(76,264)	(1,572,167)	(120,200)	(1,768,631)
Payments for Employee Benefits		(256,498)	(40,374)	(296,872)
Payments to Food Service Mgmt Co	(337,392)			(337,392)
Payments to Vendors (Net)	(8,171)	(969,767)		(977,938)
Net Cash Provided by (Used For)				
Operating Activities	(79,397)	164,131	15,909	100,643
Cash Flows from Noncapital				
Financing Activities:				
State Sources	2,217			2,217
Federal Sources	37,585			37,585
Miscellaneous	16	4,499		4,515
Net Cash Provided by (Used For)				
Noncapital Financing Activities	39,818	4,499	-	44,317
Cash Flows from Capital Financing Activities:				
Proceeds from Equipment Disposal		4,312		4,312
Payment of Capital Leases		(82,874)		(82,874)
Acquisition of Equipment		(91,897)		(91,897)
Net Cash Provided by (Used For) Capital				
Financing Activities	-	(170,459)	-	(170,459)
Net Increase (Decrease) in Cash				
and Cash Equivalents	(39,579)	(1,829)	15,909	(25,499)
Cash and Cash Equivalents, Beginning	67,422	488,753	-	556,175
Cash and Cash Equivalents, Ending	<u>\$ 27,843</u>	<u>\$ 486,924</u>	<u>\$ 15,909</u>	<u>\$ 530,676</u>
Reconciliation of Operating Income				
(Loss) to Net Cash Provided by				
(Used for) Operating Activities:				
Operating Income (Loss)	\$ (112,982)	\$ 79,976	\$ 15,909	\$ (17,097)
Adjustments to Reconcile Operating				
Income (Loss) to Net Cash Provided				
by (Used for) Operating Activities:				
Depreciation	13,852	259,923		273,775
Federal Food Donation Program	17,462			17,462
(Increase) Decrease in Inventory	(735)			(735)
(Increase) Decrease in Accounts Receivable		(172,109)		(172,109)
Increase (Decrease) in Accounts Payable		(3,659)		(3,659)
Increase (Decrease) in Unearned Revenue	3,006			3,006
Net Cash Provided by (Used For)				
Operating Activities	<u>\$ (79,397)</u>	<u>\$ 164,131</u>	<u>\$ 15,909</u>	<u>\$ 100,643</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014

	Unemployment Compensation Fund	Private Purpose Scholarship Fund	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 147,138	\$ 42,752	\$ 280,527
Total Assets	<u>147,138</u>	<u>42,752</u>	<u>\$ 280,527</u>
LIABILITIES			
Due to Other Funds			\$ 5,000
Accounts Payable	2,034		
Due to Student Groups			110,676
Payroll Deductions & Withholdings			164,851
Total Liabilities	<u>2,034</u>	<u>-</u>	<u>\$ 280,527</u>
NET POSITION			
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 145,104</u>		
Reserved for Scholarships		<u>\$ 42,752</u>	

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Unemployment Compensation Fund	Private Purpose Scholarship Fund
ADDITIONS		
Contributions:		
Employees	\$ 19,791	
Other		\$ 2,704
Investment Earnings:		
Interest	156	45
Total Additions	<u>19,947</u>	<u>2,749</u>
DEDUCTIONS		
Unemployment Claims	48,255	
Scholarships Awarded		4,050
Total Deductions	<u>48,255</u>	<u>4,050</u>
Change in Net Position	(28,308)	(1,301)
Net Position, Beginning of the Year	<u>173,412</u>	<u>44,053</u>
Net Position, End of the Year	<u>\$ 145,104</u>	<u>\$ 42,752</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Board of Education (Board) of the Delaware Valley Regional High School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts overall financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting Entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the district is to educate students in Grades 9-12. The District serves the communities of Alexandria Township, Frenchtown Borough, Holland Township, Kingwood Township and Milford Borough (the constituent districts). The District had an approximate enrollment at June 30, 2014 of 958 students.

The primary criterion for including activities within the District's reporting entity as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

1. The organization is legally separate (can sue or be sued in their own name.)
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/ burden on the District.
6. There is a fiscal dependency by the organization on the District.

Based on the aforementioned criteria, the District has no component units.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate basic financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and post employment healthcare benefits, are recorded only when payment is due.

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted as they are needed.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Government (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes in the Special Revenue Fund.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Additionally, the District reports the following fund types:

Proprietary Fund Types

Proprietary Fund - The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise Fund - The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund, the Transportation Service Fund and the Technology Services Fund.

All proprietary funds are accounted for on a current financial resources measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Building (Transportation Garage)	50 Years
Equipment (Transportation Fund)	8 Years
Equipment (Food Service Fund)	15 Years
Light Trucks & Vehicles	8 Years
Heavy Trucks & Vehicles	6 Years

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Fiduciary Fund Types

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/ or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The following is a description of the Trust and Agency Funds of the District.

Unemployment Compensation Trust Fund – This fund is used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the “Benefit Reimbursement Method.”

Student Activities Agency Fund – This fund is used to account for funds derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Payroll Agency Fund – This fund accounts for the withholding and remittance of employee salary deductions.

Private Purpose Scholarship Fund – This fund is used to account for funds donated from outside sources which are restricted for the use of student scholarships.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office and if required, voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2014 were insignificant.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For Governmental Funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the Governmental Fund Types. Unencumbered appropriations lapse at fiscal year end.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

The accounting records of the Special Revenue Fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

E. Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in Governmental Funds other than the Special Revenue Fund are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

F. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition Payable

Tuition charges for the fiscal years 2013-2014 and 2012-2013 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-Term Interfund Receivables/Payables

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

I. Inventories and Prepaid Items

Inventories and prepaid items, which benefit future periods, other than those recorded in the Enterprise Fund are recorded as an expenditure during the year of purchase.

Enterprise Fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as a unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

J. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	50
Building Improvements & Portable Classroom	20 to 50
Land Improvements	20
Maintenance Equipment	15
Furniture	20
Musical Instruments	10
Athletic Equipment	10 to 20
Audio Visual Equipment	10
Office Equipment	5 to 10
Computer Equipment	5 to 10
Buses	8
Vehicles	8

K. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by Governmental Accounting Standards Board statement number 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the Districts' agreements with the various employee unions.

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of social security and medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

L. Unearned revenue

Unearned revenue in the General Fund and Special Revenue Fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the Special Revenue Fund.

Unearned revenue in the Enterprise Fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the Food Service Fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-Term Obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

N. Fund Balances-Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable—includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted—includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed—includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned—includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned—includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. Fund Balances-Governmental Funds (Cont'd)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

O. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying basic financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

P. Allocation of Indirect Expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF pension contributions, reimbursed TPAF social security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in NJSA 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES (Cont'd)

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

School taxes are guaranteed as to amount of collection by the municipality, the collection agency, and are transmitted to the school district in accordance with the schedule of tax installments as certified by the school district's Board of Education on an annual basis.

NOTE 3. DEPOSITS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. US Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at amortized cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 17:9-41 et seq establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS (Cont'd)

Deposits and investments at June 30, 2014 appear in the basic financial statements as summarized below:

Cash		<u>\$ 2,293,544</u>
	<u>Ref.</u>	
Cash:		
Governmental Funds, Balance Sheet	B-1	\$ 1,292,451
Enterprise Fund, Statement of Net Position	B-4	530,676
Fiduciary Funds, Statement of Net Position	B-7	<u>470,417</u>
Total Cash		<u>\$ 2,293,544</u>

Deposits – The District's carrying amount of bank deposits at June 30, 2014 is \$2,293,544 and the bank balance is \$2,661,919. Of the bank balance, \$250,000 is covered by federal depositary insurance and \$2,411,919 is insured by GUDPA.

Deposit and Investment Risk

GASB Statement No. 40 "Deposit and Investment Risk Disclosures" requires state and local governments to communicate key information about deposit and investment risks. Required disclosures are as follows:

1. Custodial credit risk disclosures are required for:
 - deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name
 - Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name

As the district has no such investments, this disclosure is not applicable.

2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the district has no such investments, this disclosure is not applicable.
3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.
4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the district has no such investments, this disclosure is not applicable.
5. Investments that are exposed to foreign currency risk should be disclosed. As the district has no such investments this disclosure is not applicable.

Concentration of Credit Risk

The State of New Jersey does not place any limit on the amount that the district may invest with any one issuer. As of June 30, 2014, the district had no investments.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets, Not Being Depreciated:				
Land	\$ 36,845			\$ 36,845
Construction in Progress	262,052	\$ 662,334	\$ 440,128	484,258
Total	<u>298,897</u>	<u>662,334</u>	<u>440,128</u>	<u>521,103</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,691,630			1,691,630
Building & Improvements	16,890,092	470,934		17,361,026
Furniture & Equipment	1,952,796	222,198	205,277	1,969,767
Buses & Other Vehicles	77,555		19,000	58,555
Total	<u>20,612,073</u>	<u>693,132</u>	<u>224,227</u>	<u>21,080,978</u>
Accumulated Depreciation:				
Land Improvements	937,880	57,736		995,616
Building & Improvements	6,349,991	339,714		6,689,705
Furniture & Equipment	1,352,362	102,721	124,867	1,330,216
Vehicles	70,138	4,944	19,000	56,082
Total	<u>8,710,371</u>	<u>505,115</u>	<u>143,867</u>	<u>9,071,619</u>
Total Capital Assets, Being Depreciated, Net	<u>11,901,702</u>	<u>188,017</u>	<u>80,360</u>	<u>12,009,359</u>
Transfers	<u>-0-</u>	<u>(467,754)</u>	<u>(467,754)</u>	<u>-0-</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,200,599</u>	<u>\$ 382,597</u>	<u>\$ 52,734</u>	<u>\$ 12,530,462</u>
Business-Type Activities:				
Building & Improvements	\$ 374,000			\$ 374,000
Furniture & Equipment	433,778	\$ 10,897		444,675
Buses & Other Vehicles	3,263,073	81,000	\$ 180,000	3,164,073
Less: Accum Depreciation	<u>(2,965,888)</u>	<u>(273,774)</u>	<u>(180,000)</u>	<u>(3,059,662)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,104,963</u>	<u>\$ (181,877)</u>	<u>\$ -0-</u>	<u>\$ 923,085</u>

Depreciation expense was charged to governmental functions in the current year as follows:

Instruction:	
Regular	\$ 204,576
Special Education	39,421
Other Special Instruction	793
Co-Curricular Activities	82,014
Support Services:	
Student & Instruction	92,065
General & Business Admin	35,551
School Administration	18,038
Plant & Maintenance	<u>32,657</u>
Total Depreciation Expense, Governmental Activities	<u>\$ 505,115</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 5. LONG-TERM DEBT

Long-Term Liability Activity for the Year Ended June 30, 2014 is as Follows:

	Beginning Balance	Accruals	Payments	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable	\$ 3,055,000		\$ 475,000	\$ 2,580,000	\$ 490,000
Unamortized Bond Premium	201,814		36,418	165,396	36,418
Capital Leases Payable		\$ 189,277		189,277	48,663
Compensated Absences Payable	764,805	43,003	43,734	764,074	32,295
Total Governmental Activities Long-Term Liabilities	<u>\$ 4,021,619</u>	<u>\$ 232,280</u>	<u>\$ 555,152</u>	<u>\$ 3,698,747</u>	<u>\$ 607,376</u>
Business-Type Activities:					
Capital Leases Payable	<u>\$ 341,320</u>	<u>\$ -0-</u>	<u>\$ 81,289</u>	<u>\$ 258,446</u>	<u>\$ 84,490</u>
Total Business-Type Activities	<u>\$ 341,320</u>	<u>\$ -0-</u>	<u>\$ 81,289</u>	<u>\$ 258,446</u>	<u>\$ 84,490</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The unamortized bond premium is amortized over time term of the bonds. The other long-term debts are paid in the current expenditures budget of the District's general fund and transportation enterprise fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2014 including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2015	\$ 490,000	\$ 88,050	\$ 578,050
2016	505,000	73,350	578,350
2017	520,000	58,200	578,200
2018	535,000	42,600	577,600
2019	530,000	21,200	551,200
Total	<u>\$ 2,580,000</u>	<u>\$ 283,400</u>	<u>\$ 2,863,400</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 5. GENERAL LONG-TERM DEBT (Cont'd)

General Obligation Bonds – General obligation school building bonds payable at June 30, 2014, with their outstanding balances are comprised of the following individual issues:

\$3,075,000 – 2012 general obligation refunding bonds, due in annual installments of \$20,000 to \$535,000 beginning January 15, 2013, through January 15, 2019 interest from 2.00% to 4.00% \$ 2,580,000

Capital Leases Payable

The District is leasing six school buses totaling \$492,609 under a capital lease in the enterprise fund, computers and networking equipment totaling \$189,277 in the general fund. The following is a schedule of the future minimum lease payments under the capital leases and the net minimum lease payment at June 30, 2014:

<u>Year Ending June 30,</u>	<u>General Fund</u>	<u>Enterprise Fund</u>
2015	\$ 48,663	\$ 89,530
2016	48,664	89,530
2017	48,664	89,530
2018	48,663	
Total Minimum Lease Payments	194,654	268,590
Amount Representing Interest	5,377	10,144
Present Value of Minimum Leases Payments	<u>\$ 189,277</u>	<u>\$ 258,446</u>

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2014 is \$71,884,791. General obligation debt at June 30, 2014 is \$2,580,000, resulting in a legal debt margin of \$69,304,791.

NOTE 6. PENSION PLANS

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Prudential Financial for the Division of Pension and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees Retirement System and Defined Contribution Retirement Program are considered cost sharing multiple-employer plans.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

A. Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund was established in January, 1955 under the provisions of NJSA 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 55 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

B. Public Employees' Retirement System - The Public Employees' Retirement System was established in January, 1955 under the provisions of NJSA 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 55 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

C. Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch 92, PL 2007 and expanded under the provisions of Ch 89, PL 2008 and Ch 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,000 in 2013) but who earn salary of at least \$5,000 annually are eligible to participate. The program administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: www.prudential.com/njdcrp.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statement and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

Significant Legislation

During the year ended June 30, 1997, legislation was enacted authorizing the New Jersey Economic Development Authority (the "Authority") to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. On June 30, 1997, the Authority issued bonds pursuant to this legislation and \$1,547,688,633 and \$241,106,642 from the proceeds of the bonds were deposited into the investment account of TPAF and PERS, respectively.

As a result of additional legislation enacted during the year ended June 30, 1997 (Ch 115, PL 1997), the asset valuation method was changed from market related value to full market value for the valuation reports dated March 31, 1996. The legislation also provides for a reduction in the normal contributions of the State to the systems from excess assets for FY's 1997 and 1998, and local employers for FY 1999, and, thereafter, authorizes the State Treasurer to reduce the normal contributions of State and local employers to the systems, to the extent possible, from up to 100% of excess assets through FY 2003, and on a declining maximum percentage of excess thereafter.

Due to the enactment of the legislation described above, the State of New Jersey's portion of the unfunded accrued liability under each retirement system was eliminated except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

The contribution policy is set by state statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Significant legislation which became effective October 1, 2011 will gradually increase the employee contribution rate for PERS and TPAF members. Effective October 1, 2011 the rate increased from 5.50% to 6.50% of annual contractual compensation for employees enrolled in the TPAF and PERS pension plans. The rate will increase each year on the first of July over a seven year phase-in period until the withholding rate reaches 7.50% effective July 1, 2018. Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. Employers are required to contribute at an actuarially determined rate in TPAF, PERS and DCRP. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums. Under current statute, the Board is a noncontributing employer of the TPAF.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

Contribution Requirements (cont'd)

Three Year Trend Information for TPAF (Paid on-Behalf of the District)

Year Funding	TPAF Retirement Benefit Costs	Percentage of APC Contributed
06/30/14	\$ 703,446	100%
06/30/13	857,172	100%
06/30/12	621,026	100%

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed
06/30/14	\$ 285,081	100%
06/30/13	269,772	100%
06/30/12	272,159	100%

During the year ended June 30, 2014, the State of New Jersey contributed \$436,951 to the TPAF for post-retirement medical benefits and \$21,615 for the non-contributory insurance premiums, and \$244,880 for normal pension costs and accrued liability on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$475,437 during the year ended June 30, 2014 for the employer's share of social security contributions for TPAF members calculated on their base salaries. These amounts have been included in the basic financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

NOTE 7. POST-RETIREMENT BENEFITS

Chapter 384 of PL 1987 and Ch 6 of PL 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. PL 2007, Ch.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees eligible for post-retirement medical benefits and the state contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with Ch 62, PL 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning the fiscal year 1994.

The State is also responsible for the cost attributable to Ch 126, PL 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. In fiscal year 2013, the State paid \$173.8 million toward Ch 126 benefits for 17,356 eligible retired members.

GASB Statement 45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District's only material OPEB obligation is for healthcare provided to eligible retirees through the NJ State Health Benefits Program.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 7. POST-RETIREMENT BENEFITS (Cont'd)

Plan Description-The School District contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer definer benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. The school district adopted a resolution to participate in the SHBP. The States Health Benefits Commission is the executive body established by the statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295 or by visiting their website at (www.nj.gov/treasury/pensions).

Funding Policy-Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Information regarding the State's annual contributions, annual OPEB cost and net OPEB obligations is available through the State as noted in the previous paragraph.

NOTE 8. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403 (b). The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Oppeheimer
AXA Equitable
Metropolitan Life Ins Co
Lincoln Investment Planning
Variable Annuity Life Ins Co/AIG

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2014 is as follows:

	Receivable Fund	Payable Fund
General Fund	\$ 5,000	
Net Payroll Agency Fund		\$ 5,000
Total	<u>\$ 5,000</u>	<u>\$ 5,000</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

The balance due from the Net Payroll Agency Fund to the General Fund represents an imprest balance of \$5,000.

All interfund balances should be liquidated within one year, except the net payroll imprest balance which is a continuous loan to maintain a minimum balance in the bank account.

NOTE 10. INVENTORY

Inventory in the Food Service Fund at June 30, 2014 consisted of the following:

Food	\$	3,694
Supplies		<u>1,107</u>
	\$	<u>4,801</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the basic financial statements.

NOTE 11. CONTINGENT LIABILITIES

The District is involved in various legal proceedings that are incidental to its operations. These legal proceedings are not likely to have a material adverse effect on the financial position of the School District.

NOTE 12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, students accident and surety bonds. There was no significant reduction in insurance coverage from coverage in the prior year. The District did not have any insurance settlements, which exceeded insurance coverage for the past three years. A complete schedule of insurance coverage can be found in the Statistical Section of the Comprehensive Annual Financial Report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the NJ Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment trust fund for the current and previous two years:

Fiscal Year	District Contrib	Interest Earnings	Employee Contrib	Amount Reimbursed	Ending Balance
2013-2014	\$ -0-	\$ 156	\$ 19,791	\$ 48,255	\$ 145,104
2012-2013	-0-	171	17,622	18,151	173,412
2011-2012	100,000	156	17,774	92,797	173,770

NOTE 13. LEGAL RESERVE ACCOUNTS

A capital reserve account was established by the District by for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the districts approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per NJSA 18A:7F-41(a) & 41(b) to deposit to the legal reserves by board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$320,000 to their Capital Reserve account by board resolution in June 2014 as summarized in the following schedule.

The following schedule is a summarization of the Legal Reserve Accounts:

Legal Reserve Type	Beginning Balance	District Contribution	Interest Earnings	Withdrawals Net of Returns	Ending Balance
Capital	\$ 762,557	\$ 320,000	\$ 238	\$ 647,219	\$ 435,576
Emergency	250,000				250,000
Maintenance	200,000			6,891	193,109
Total	\$ 1,212,557	\$ 320,000	\$ 238	\$ 654,110	\$ 878,685

The June 30, 2014 LRFP balance of local support costs of uncompleted capital projects at June 30, 2014 exceeded the balance in the capital reserve account.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 14. FUND BALANCES-BUDGETARY BASIS

As described in Note 1 N-Fund Equity (Fund Balance) may be restricted, committed or assigned. An analysis of the General Fund Balance on June 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Restricted:		
Excess Surplus-Designated for Subsequent Year's Expenditures-Amount appropriated in the succeeding year's budget to reduce tax requirements		\$ 61,573
Committed:		
Capital Reserve Account-represents funds restricted to capital projects in the Districts Long Range Facilities Plan	\$ 435,576	762,557
Maintenance Reserve-Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (NJSA18A:76-9)	193,109	200,000
Emergency Reserve-Represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education	250,000	250,000
Assigned:		
Year End Encumbrance-Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30,	126,340	474,242
Designated for Subsequent User's Expenditures-Amount appropriated in the succeeding year's budget to reduce tax requirements	300,000	137,427
Unassigned:		
Undesignated-Represents fund balance which has not been restricted or designated	<u>625,740</u>	<u>444,183</u>
Total Fund Balance	<u>\$ 1,930,765</u>	<u>\$ 2,329,982</u>

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by PL 2004, Ch 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is \$-0-.

NOTE 16: SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 17, 2014, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014
(Continued)

NOTE 17: RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

The following is a list of recent accounting pronouncements which are not yet effective as of the year end date of this report:

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, is not anticipated to have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, is not anticipated to have any effect on the District's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees". This statement, which is effective for fiscal periods beginning after June 15, 2013, is not anticipated to have any effect on the District's financial reporting.

In November 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB Statement No. 68". This statement, which is effective for fiscal periods beginning after June 30, 2014, is not expected to have an effect on the District's financial reporting.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

BUDGETARY COMPARISON SCHEDULES

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 13,134,122		\$ 13,134,122	\$ 13,134,122	
Tuition from Other LEAs Within the State	30,000		30,000	49,056	\$ 19,056
Tuition from Individuals				12,735	12,735
Interest on Investments				3,266	3,266
Interest Earned on Capital Reserve Funds	1,000		1,000	238	(762)
Shared Service Agreement Revenue				1,170	1,170
Ipad Use Fees	35,000		35,000	35,022	22
Prior Year Expense Restitution Recovery				1,853	1,853
Miscellaneous-Unrestricted	11,000		11,000	18,411	7,411
Total	13,211,122	\$ -	13,211,122	13,255,873	44,751
State Sources:					
Categorical Special Education Aid	592,662		592,662	592,662	
Equalization Aid	3,173,700		3,173,700	3,173,700	
Categorical Security Aid	74,763		74,763	74,763	
Categorical Transportation Aid	116,642		116,642	116,642	
Adjustment Aid	21,693		21,693	21,693	
Extraordinary Special Education Costs Aid				261,010	261,010
Nonpublic Transportation Aid				8,470	8,470
On-Behalf TPAF Pension Contribution				266,495	266,495
On-Behalf TPAF Post Retirement Medical Benefits				436,951	436,951
Reimbursed TPAF Social Security Contribution				475,437	475,437
Total	3,979,460	-	3,979,460	5,427,823	1,448,363
TOTAL REVENUES	\$ 17,190,582	\$ -	\$ 17,190,582	\$ 18,683,696	\$ 1,493,114
EXPENDITURES					
Current:					
Regular Programs:					
Instruction:					
Salaries of Teachers:					
Grades 9-12	\$ 3,947,975	\$ (109,668)	\$ 3,838,307	\$ 3,809,774	\$ 28,533
Home Instruction:					
Salaries of Teachers	21,000	(1,259)	19,741	19,740	1
Purchased Professional Educational Services	40,000	(23,904)	16,096	15,627	469
Other Purchased Services	5,000	(2,537)	2,463	902	1,561
Undistributed Instruction:					
Other Salaries for Instruction	111,160	(48,485)	62,675	53,934	8,741
Purchased Professional Educational Services	5,850	3,200	9,050	6,850	2,200
Other Purchased Services	411,873	(4,420)	407,453	401,064	6,389
General Supplies	285,998	46,722	332,720	280,230	52,490
Textbooks	17,906	(7,552)	10,354	6,403	3,951
Other Objects	4,018	11	4,029	804	3,225
Total	4,850,780	(147,892)	4,702,888	4,595,328	107,560
Special Education-Instruction:					
Multiple Disabilities:					
Salaries of Teachers	90,215	(700)	89,515	89,411	104
Other Salaries for Instruction	84,855	(50,781)	34,074	34,074	
General Supplies	7,325	(618)	6,707	5,386	1,321
Other Objects	200	487	687	687	
Total	182,595	(51,612)	130,983	129,558	1,425
Resource Room/Resource Center:					
Salaries of Teachers	805,360	(45,925)	759,435	759,064	371
Other Salaries for Instruction	262,382	(171,155)	91,227	81,863	9,364
General Supplies	4,795		4,795	1,393	3,402
Other Objects	177		177		177
Total	1,072,714	(217,080)	855,634	842,320	13,314

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Autism:					
Salaries of Teachers	\$ 67,630		\$ 67,630	\$ 67,630	
Other Salaries for Instruction	51,770	\$ (51,770)			
General Supplies	1,000		1,000	45	\$ 955
Other Objects	200		200		200
Total	120,600	(51,770)	68,830	67,675	1,155
Total Special Education-Instruction	1,375,909	(320,462)	1,055,447	1,039,553	15,894
Basic Skills/Remedial-Instruction:					
Other Purchased Services	48,860	(7,489)	41,371	7,800	33,571
General Supplies	2,516		2,516		2,516
Total	51,376	(7,489)	43,887	7,800	36,087
Bilingual Education-Instruction:					
General Supplies	500		500		500
Total	500	-	500	-	500
School Sponsored Co/Extra Curricular Activities:					
Salaries	173,993	(6,795)	167,198	162,721	4,477
Purchased Services	7,000	3,030	10,030	10,029	1
Supplies & Materials	5,500	(35)	5,465	4,410	1,055
Other Objects	1,000	135	1,135	1,135	
Total	187,493	(3,665)	183,828	178,295	5,533
School Sponsored Athletics:					
Salaries	610,255	24,678	634,933	634,933	
Purchased Services	56,060		56,060	45,751	10,309
Supplies & Materials	103,334	(4,929)	98,405	92,261	6,144
Other Objects	23,010		23,010	22,022	988
Transfers to Cover Deficit (Agency Funds)	34,586		34,586	20,498	14,088
Total	827,245	19,749	846,994	815,465	31,529
Total Instruction	\$ 7,293,303	\$ (459,759)	\$ 6,833,544	\$ 6,636,441	\$ 197,103
Undistributed Expenditures:					
Instruction-Tuition:					
Other LEAs Within the State-Special	\$ 38,110	\$ (38,110)			
County Vocational School Districts-Regular	308,000	(3,370)	\$ 304,630	\$ 304,630	
CSSD and Regional Day Schools		43,910	43,910	43,200	\$ 710
Private Schools for Disabled Within the State	346,210	101,002	447,212	347,415	99,797
Tuition-State Facilities		40,204	40,204	40,204	
Tuition-Other	116,726	(91,726)	25,000	25,000	
Total	809,046	51,910	860,956	760,449	100,507
Health Services:					
Salaries	155,030	(1,912)	153,118	152,478	640
Purchased Professional & Technical Services	12,125	2,799	14,924	14,924	
Other Purchased Services	1,500		1,500	150	1,350
Supplies & Materials	23,945	9,350	33,295	27,329	5,966
Other Objects	800	(737)	63	56	7
Total	193,400	9,500	202,900	194,937	7,963
Speech, OT, PT & Related Services:					
Salaries	64,770		64,770	64,770	
Purchased Professional Educational Services	22,875	(500)	22,375	6,944	15,431
Total	87,645	(500)	87,145	71,714	15,431
Other Support Services-Students Extraordinary Services					
Salaries	-	287,899	287,899	287,899	-

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Guidance:					
Salaries of Other Professional Staff	\$ 433,945		\$ 433,945	\$ 433,945	
Salaries of Secretarial & Clerical Assistants	89,485	\$ (999)	88,486	88,485	\$ 1
Other Salaries	35,000	(14,105)	20,895	20,895	
Other Purchased Professional & Technical Services	23,500	13,617	37,117	37,117	
Other Purchased Services	7,173	(2,894)	4,279	4,279	
Supplies & Materials	20,000	(6,437)	13,563	7,338	6,225
Other Objects	2,500		2,500	363	2,137
Total	611,603	(10,818)	600,785	592,422	8,363
Child Study Teams:					
Salaries of Other Professional Staff	392,991	36,620	429,611	429,611	
Salaries of Secretarial & Clerical Assistants	40,827	(508)	40,319	39,575	744
Other Salaries	12,000		12,000	11,606	394
Purchased Professional Educational Services	4,200	3,958	8,158	8,158	
Other Purchases Services	9,000	488	9,488	9,487	1
Miscellaneous Purchased Services	3,000	500	3,500	3,232	268
Supplies and Materials	8,525	(4,880)	3,645	2,950	695
Other Objects	2,400	(1,128)	1,272	1,022	250
Total	472,943	35,050	507,993	505,641	2,352
Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	230,146	(335)	229,811	221,656	8,155
Salaries of Other Professional Staff	22,431	(2,885)	19,546	15,950	3,596
Salaries of Secretarial & Clerical Assistants	44,890		44,890	44,890	
Other Purchases Services	700	3,335	4,035	3,734	301
Supplies & Materials	2,089	4,013	6,102	6,101	1
Other Objects	2,000	(360)	1,640	1,640	
Total	302,256	3,768	306,024	293,971	12,053
Educational Media Services /School Library:					
Salaries	117,290	732	118,022	96,757	21,265
Salaries of Technology Coordinators	257,364	72,517	329,881	296,009	33,872
Purchased Professional & Technical Services	3,000		3,000	2,093	907
Other Purchased Services	300		300		300
Supplies & Materials	55,000	367	55,367	55,367	
Other Objects	100		100	50	50
Total	433,054	73,616	506,670	450,276	56,394
Instructional Staff Training Services:					
Salaries of Other Professional Staff	20,000	10,651	30,651	30,650	1
Purchased Professional Educational Services	35,000	(12,005)	22,995	11,418	11,577
Other Purchased Services		3,065	3,065	1,647	1,418
Supplies & Materials	6,750	(1,555)	5,195		5,195
Total	61,750	156	61,906	43,715	18,191
Support Services General Administration:					
Salaries	205,966	(985)	204,981	204,980	1
Legal Services	50,000	(20,881)	29,119	29,119	
Audit Fees	28,500		28,500	28,500	
Architectural/Engineering Services	21,450	16,204	37,654	36,939	715
Other Purchased Professional Services	17,840	3,533	21,373	21,372	1
Communications & Telephone	56,148	(8,495)	47,653	45,494	2,159
Board of Education Other Purchased Services	2,500	411	2,911	2,842	69
Miscellaneous Purchased Services	69,484	(12,463)	57,021	56,911	110
General Supplies	3,675	5,008	8,683	8,683	
Board of Education In-House Training/Meeting Supplies	1,200	2,412	3,612	3,612	
Judgments Against the School District		43,692	43,692	43,692	
Miscellaneous Expenditures	3,250	2,320	5,570	4,320	1,250
Board of Education Membership Dues & Fees	13,755	(2,020)	11,735	11,546	189
Total	473,768	28,736	502,504	498,010	4,494

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Support Services School Administration:					
Salaries of Principals/Ass't Principals/Program Directors	\$ 231,115	\$ 6,027	\$ 237,142	\$ 237,142	
Salaries of Secretarial & Clerical Assistants	135,670		135,670	135,278	\$ 392
Other Salaries	5,000		5,000	5,000	
Purchased Professional and Technical Services	8,500	2,000	10,500	9,783	717
Other Purchased Services	2,250	5,775	8,025	7,263	762
Supplies & Materials	16,100	15,000	31,100	18,432	12,668
Other Objects	4,000	(875)	3,125	2,064	1,061
Total	402,635	27,927	430,562	414,962	15,600
Central Services:					
Salaries	234,455	(17,964)	216,491	214,087	2,404
Purchased Professional Services	48,930	13,234	62,164	62,164	
Purchased Technical Services	72,804	(4,480)	68,324	63,558	4,766
Miscellaneous Purchased Services	1,620	1,278	2,898	2,384	514
Supplies & Materials	6,425	10,882	17,307	10,399	6,908
Miscellaneous Expenditures	1,375	21	1,396	1,396	
Total	365,609	2,971	368,580	353,988	14,592
Administrative Information Technology:					
Salaries	49,332	2,293	51,625	49,333	2,292
Other Purchased Services	12,833	1,495	14,328	14,323	5
Total	62,165	3,788	65,953	63,656	2,297
Required Maintenance for School Facilities:					
Salaries	134,773	27,797	162,570	162,569	1
Cleaning, Repair, & Maintenance Services	135,420	26,712	162,132	162,132	
General Supplies	41,472	(2,196)	39,276	39,276	
Other Objects	3,000	(3,000)			
Total	314,665	49,313	363,978	363,977	1
Custodial Services:					
Salaries	316,295	25,617	341,912	326,488	15,424
Purchased Professional and Technical Services	15,000	(1,783)	13,217	13,217	
Cleaning, Repair, & Maintenance Services	47,847	21,154	69,001	69,001	
Other Purchased Property Services		493	493	493	
Insurance	95,000		95,000	95,000	
Miscellaneous Purchased Services	3,080	(3,044)	36	36	
General Supplies	49,083	15,123	64,206	64,206	
Energy (Natural Gas)	1,000	(1,000)			
Energy (Electricity)	265,000	(76,715)	188,285	186,966	1,319
Energy (Oil)	208,000	81,200	289,200	289,200	
Other Objects	1,050	642	1,692	1,692	
Total	1,001,355	61,687	1,063,042	1,046,299	16,743
Care and Upkeep of Grounds:					
Salaries	121,272	11,174	132,446	132,446	
Cleaning, Repair, & Maintenance Services	8,400	(428)	7,972	7,972	
General Supplies	41,697	(25,321)	16,376	15,588	788
Other Objects	1,500	(1,500)			
Total	172,869	(16,075)	156,794	156,006	788
Security:					
Purchased Professional and Technical Services	6,000	(3,305)	2,695		2,695
Cleaning, Repair, & Maintenance Services	17,500	3,572	21,072	21,071	1
General Supplies	4,000	31,465	35,465	31,715	3,750
Total	27,500	31,732	59,232	52,786	6,446

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Student Transportation Services:					
Contracted Services-Aid In Lieu of Payments- Nonpublic Schools	\$ 26,962	\$ (2,210)	\$ 24,752	\$ 11,492	\$ 13,260
Contracted Services-Aid In Lieu of Payments- School Choice		2,210	2,210	2,210	
Contracted Services (Other than Between Home & School)-Vendors	119,800	21,335	141,135	138,974	2,161
Contracted Services (Regular Students)- ESC'S & CTSA'S	674,531	34,328	708,859	708,683	176
Contracted Services (Special Education Students)- ESC'S & CTSA'S	453,043	(55,663)	397,380	354,999	42,381
Total	1,274,336	-	1,274,336	1,216,358	57,978
Unallocated Benefits-Employee Benefits:					
Social Security Contribution	225,000	36,656	261,656	261,261	395
Other Retirement Contributions-PERS	277,865	(38,068)	239,797	202,542	37,255
Other Retirement Contributions-Regular		819	819	819	
Unemployment Compensation	30,000	(30,000)			
Workmen's Compensation	72,971	15,150	88,121	88,121	
Health Benefits	2,473,187	(229,999)	2,243,188	2,207,351	35,837
Tuition Reimbursement	34,850	108	34,958	32,887	2,071
Other Employee Benefits	94,400	149,382	243,782	243,782	
Total	3,208,273	(95,952)	3,112,321	3,036,763	75,558
On-Behalf TPAF Pension Contribution				266,495	(266,495)
On-Behalf TPAF Post Retirement Medical Benefits				436,951	(436,951)
Reimbursed TPAF Social Security Contribution				475,437	(475,437)
Total	-	-	-	1,178,883	(1,178,883)
Total Undistributed Expenditures	\$ 10,274,872	\$ 544,708	\$ 10,819,580	\$ 11,582,712	\$ (763,132)
TOTAL CURRENT	\$ 17,568,175	\$ 84,949	\$ 17,653,124	\$ 18,219,153	\$ (566,029)
CAPITAL OUTLAY					
Equipment:					
Grades 9-12	\$ 12,731	\$ 5,887	\$ 18,618	\$ 18,618	
School-Sponsored/Other Instructional Programs		4,929	4,929	4,929	
Undistributed Expenditures:					
General Administration		2,635	2,635	2,635	
Central Services		2,525	2,525	2,524	\$ 1
Administrative Information Technology	24,768	(9,966)	14,802	14,802	
Required Maintenance for School Facilities		7,200	7,200	7,200	
Care and Upkeep of Grounds		17,568	17,568	17,568	
Total	37,499	30,778	68,277	68,276	1
Assets Acquired Under Capital Leases:					
Computer Supplies				140,744	(140,744)
Administrative Information Technology				48,533	(48,533)
Total	-	-	-	189,277	(189,277)
Facilities Acquisition & Construction Services:					
Architectural/Engineering Services		17,876	17,876	17,876	
Other Purchased Professional & Technical Services	86,219	(1,700)	84,519	56,353	28,166
Construction Services	129,328	647,219	776,547	694,274	82,273
Assessment for Debt Service on SDA Funding	41,603	(14,622)	26,981	26,981	
Total	257,150	648,773	905,923	795,484	110,439
TOTAL CAPITAL OUTLAY	\$ 294,649	\$ 679,551	\$ 974,200	\$ 1,053,037	\$ (78,837)

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL EXPENDITURES	<u>\$ 17,862,824</u>	<u>\$ 764,500</u>	<u>\$ 18,627,324</u>	<u>\$ 19,272,190</u>	<u>\$ (644,866)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (672,242)	\$ (764,500)	\$ (1,436,742)	\$ (588,494)	\$ 848,248
Other Financing Sources (Uses):					
Capital Leases (Non-Budgeted)				189,277	(189,277)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,277</u>	<u>(189,277)</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	(672,242)	(764,500)	(1,436,742)	(399,217)	1,037,525
Fund Balances, July 1	<u>2,329,982</u>	<u>-</u>	<u>2,329,982</u>	<u>2,329,982</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 1,657,740</u>	<u>\$ (764,500)</u>	<u>\$ 893,240</u>	<u>\$ 1,930,765</u>	<u>\$ 1,037,525</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	\$ (474,242)		\$ (474,242)	\$ (474,242)	
Increase in Capital Reserve	1,000	\$ 320,000	321,000	320,238	\$ (762)
Withdrawal from Capital Reserve		(647,219)	(647,219)	(647,219)	
Increase in Maintenance Reserve		104	104	104	
Withdrawal from Maintenance Reserve		(6,995)	(6,995)	(6,995)	
Budgeted Fund Balance	<u>(199,000)</u>	<u>(430,390)</u>	<u>(629,390)</u>	<u>408,897</u>	<u>\$ 1,038,287</u>
TOTAL	<u>\$ (672,242)</u>	<u>\$ (764,500)</u>	<u>\$ (1,436,742)</u>	<u>\$ (399,217)</u>	<u>\$ 1,037,525</u>
RECAPITULATION OF FUND BALANCE					
Committed Fund Balance:					
Capital Reserve				\$ 435,576	
Maintenance Reserve				193,109	
Emergency Reserve				250,000	
Assigned Fund Balance:					
Year-End Encumbrances				126,340	
Designated for Subsequent Year's Budget				300,000	
Unassigned Fund Balance				<u>625,740</u>	
				1,930,765	
Reconciliation to Governmental Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(386,219)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 1,544,546</u>	

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

(NOT APPLICABLE TO THIS REPORT)

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources	\$ 25,699		\$ 25,699	\$ 9,850	\$ (15,849)
Federal Sources	209,526		209,526	209,526	
TOTAL REVENUES	<u>\$ 235,225</u>	<u>\$ -</u>	<u>\$ 235,225</u>	<u>\$ 219,376</u>	<u>\$ (15,849)</u>
EXPENDITURES					
Instruction:					
Salaries	\$ 13,750		\$ 13,750	\$ 13,750	
Other Purchased Services	180,204		180,204	180,204	
General Supplies	19,512	\$ (562)	18,950	9,850	\$ 9,100
Totals	<u>213,466</u>	<u>(562)</u>	<u>212,904</u>	<u>203,804</u>	<u>9,100</u>
Support Services:					
Personal Services Employee Benefits	3,162	562	3,724	3,724	
Other Purchased Services	11,848		11,848	11,848	
Supplies & Materials	6,749		6,749		6,749
Total	<u>21,759</u>	<u>562</u>	<u>22,321</u>	<u>15,572</u>	<u>6,749</u>
TOTAL EXPENDITURES	<u>\$ 235,225</u>	<u>\$ -</u>	<u>\$ 235,225</u>	<u>\$ 219,376</u>	<u>\$ 15,849</u>

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE

Explanation of Differences Between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 18,683,696	\$ 219,376
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding Encumbrances Prior Year		2,408
Outstanding Encumbrances Current Year		(7,760)
Donations of capital assets are not recognized for budgetary basis purposes but treated as revenues and additional expenditures for GAAP purposes	2,400	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State Aid Receivable Prior Year	364,841	
State Aid Receivable Current Year	(386,219)	
Total Revenues (GAAP Basis)	<u>\$ 18,664,718</u>	<u>\$ 214,024</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 19,272,190	\$ 219,376
Donations of capital assets are not recognized for budgetary basis purposes but treated as revenues and additional expenditures for GAAP purposes	2,400	
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		(5,352)
Total Expenditures (GAAP Basis)	<u>\$ 19,274,590</u>	<u>\$ 214,024</u>

OTHER SUPPLEMENTAL INFORMATION

SCHOOL LEVEL SCHEDULES

(NOT APPLICABLE TO THIS REPORT)

SPECIAL REVENUE FUND

DETAIL STATEMENTS

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	NCLB Title I	NCLB Title II A	IDEA Basic	Local Grants	Totals
REVENUES					
Local Sources				\$ 9,850	\$ 9,850
Federal Sources	\$ 17,474	\$ 11,848	\$ 180,204		209,526
Total Revenues	<u>\$ 17,474</u>	<u>\$ 11,848</u>	<u>\$ 180,204</u>	<u>\$ 9,850</u>	<u>\$ 219,376</u>
EXPENDITURES					
Instruction:					
Salaries	\$ 13,750				\$ 13,750
Other Purchased Services			\$ 180,204		180,204
General Supplies				\$ 9,850	9,850
Total	<u>13,750</u>	<u>\$ -</u>	<u>180,204</u>	<u>9,850</u>	<u>203,804</u>
Support Services:					
Personal Services-Employee Benefits	3,724				3,724
Other Purchased Services		11,848			11,848
Total	<u>3,724</u>	<u>11,848</u>	<u>-</u>	<u>-</u>	<u>15,572</u>
Total Expenditures	<u>\$ 17,474</u>	<u>\$ 11,848</u>	<u>\$ 180,204</u>	<u>\$ 9,850</u>	<u>\$ 219,376</u>

CAPITAL PROJECTS FUND

DETAIL STATEMENTS

(NOT APPLICABLE TO THIS REPORT)

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

PROPRIETARY FUND

DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the district's board is that the costs of providing goods or services be financed through user charges

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF FUND NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2014

	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 27,843	\$ 486,924	\$ 15,909	\$ 530,676
Receivables from Other Governments:				
State	244			244
Federal	2,172			2,172
Local		334,389		334,389
Other Receivables		1,501		1,501
Inventory	4,801			4,801
Total Current Assets	<u>35,060</u>	<u>822,814</u>	<u>15,909</u>	<u>873,783</u>
Noncurrent Assets:				
Capital Assets	257,078	3,725,670		3,982,748
Less: Accumulated Depreciation	167,026	2,892,637		3,059,663
Total Noncurrent Assets	<u>90,052</u>	<u>833,033</u>	<u>-</u>	<u>923,085</u>
Total Assets	<u>125,112</u>	<u>1,655,847</u>	<u>15,909</u>	<u>1,796,868</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable		175		175
Unearned Revenues	5,575			5,575
Total Current Liabilities	<u>5,575</u>	<u>175</u>	<u>-</u>	<u>5,750</u>
Long-Term Liabilities:				
Capital Leases-Due Within One Year		84,490		84,490
Capital Leases-Due Beyond One Year		173,956		173,956
Total Long-Term Liabilities	<u>-</u>	<u>258,446</u>	<u>-</u>	<u>258,446</u>
Total Liabilities	<u>5,575</u>	<u>258,621</u>	<u>-</u>	<u>264,196</u>
NET POSITION				
Net Investment in Capital Assets	90,052	574,587		664,639
Unrestricted	29,485	822,639	15,909	868,033
TOTAL NET POSITION	<u>\$ 119,537</u>	<u>\$ 1,397,226</u>	<u>\$ 15,909</u>	<u>\$ 1,532,672</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
Operating Revenues:				
Charges for Services:				
Daily Sales-Reimbursable Programs	\$ 140,720			\$ 140,720
Daily Sales-Nonreimbursable Programs	198,497			198,497
Transportation Fees		\$ 3,134,672		3,134,672
Technology Fees			\$ 176,483	176,483
Total Operating Revenues	<u>339,217</u>	<u>3,134,672</u>	<u>176,483</u>	<u>3,650,372</u>
Operating Expenses:				
Costs of Sales	180,852			180,852
Commodity Food Costs	17,462			17,462
Salaries	188,916	1,572,167	120,200	1,881,283
Employee Benefits	25,302	256,498	40,374	322,174
Purchased Professional/Technical Services		34,581		34,581
Purchased Property Services	1,640	29,186		30,826
Rental/Lease Payments for Vehicles		159,955		159,955
Contracted Services-Transportation		140,052		140,052
Insurance	2,243	26,749		28,992
Management Fee	8,839			8,839
Other Purchased Services	5,866	16,002		21,868
General Supplies	4,519	7,491		12,010
Transportation Supplies		173,475		173,475
Energy (Natural Gas)		8,366		8,366
Energy (Gasoline)		369,865		369,865
Depreciation	13,852	259,923		273,775
Miscellaneous	2,708	386		3,094
Total Operating Expenses	<u>452,199</u>	<u>3,054,696</u>	<u>160,574</u>	<u>3,667,469</u>
Operating Income (Loss)	<u>(112,982)</u>	<u>79,976</u>	<u>15,909</u>	<u>(17,097)</u>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	2,204			2,204
Federal Sources:				
National School Lunch Program	37,799			37,799
Food Donation Program	17,462			17,462
Miscellaneous	16	4,499		4,515
Total Nonoperating Revenues (Expenses)	<u>57,481</u>	<u>4,499</u>	<u>-</u>	<u>61,980</u>
Other Financing Sources (Uses):				
Gain (Loss) on Disposal of Assets		4,312		4,312
Total Other Financing Sources (Uses)	<u>-</u>	<u>4,312</u>	<u>-</u>	<u>4,312</u>
Change in Net Position	(55,501)	88,787	15,909	49,195
Total Net Position, Beginning	<u>175,038</u>	<u>1,308,439</u>	<u>-</u>	<u>1,483,477</u>
Total Net Position, Ending	<u>\$ 119,537</u>	<u>\$ 1,397,226</u>	<u>\$ 15,909</u>	<u>\$ 1,532,672</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service Fund	Transportation Service Fund	Technology Service Fund	Total
Cash Flows from Operating Activities:				
Receipts from Services Provided	\$ 342,430	\$ 2,962,563	\$ 176,483	\$ 3,481,476
Payments to Employees	(76,264)	(1,572,167)	(120,200)	(1,768,631)
Payments for Employee Benefits		(256,498)	(40,374)	(296,872)
Payments to Food Service Mgmt Co	(337,392)			(337,392)
Payments to Vendors (Net)	(8,171)	(969,767)		(977,938)
Net Cash Provided by (Used For)				
Operating Activities	(79,397)	164,131	15,909	100,643
Cash Flows from Noncapital				
Financing Activities:				
State Sources	2,217			2,217
Federal Sources	37,585			37,585
Miscellaneous	16	4,499		4,515
Net Cash Provided by (Used For)				
Noncapital Financing Activities	39,818	4,499	-	44,317
Cash Flows from Capital Financing Activities:				
Proceeds from Equipment Disposal		4,312		4,312
Payment of Capital Leases		(82,874)		(82,874)
Acquisition of Equipment		(91,897)		(91,897)
Net Cash Provided by (Used For) Capital				
Financing Activities	-	(170,459)	-	(170,459)
Net Increase (Decrease) in Cash				
and Cash Equivalents	(39,579)	(1,829)	15,909	(25,499)
Cash and Cash Equivalents, Beginning	67,422	488,753	-	556,175
Cash and Cash Equivalents, Ending	<u>\$ 27,843</u>	<u>\$ 486,924</u>	<u>\$ 15,909</u>	<u>\$ 530,676</u>
Reconciliation of Operating Income				
(Loss) to Net Cash Provided by				
(Used for) Operating Activities:				
Operating Income (Loss)	\$ (112,982)	\$ 79,976	\$ 15,909	\$ (17,097)
Adjustments to Reconcile Operating				
Income (Loss) to Net Cash Provided				
by (Used for) Operating Activities:				
Depreciation	13,852	259,923		273,775
Federal Food Donation Program	17,462			17,462
(Increase) Decrease in Inventory	(735)			(735)
(Increase) Decrease in Accounts Receivable		(172,109)		(172,109)
Increase (Decrease) in Accounts Payable		(3,659)		(3,659)
Increase (Decrease) in Unearned Revenue	3,006			3,006
Net Cash Provided by (Used For)				
Operating Activities	<u>\$ (79,397)</u>	<u>\$ 164,131</u>	<u>\$ 15,909</u>	<u>\$ 100,643</u>

FIDUCIARY FUND

DETAIL STATEMENTS

Fiduciary Fund are used to account for funds received by the school district as an agent for individuals, private organizations, other governments and/or other funds.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY FUND NET POSITION
JUNE 30, 2014

	Unemployment Compensation Fund	Private Purpose Scholarship Fund	Student Activity Agency Fund	Payroll Agency Fund	Total
ASSETS					
Cash & Cash Equivalents	\$ 147,138	\$ 42,752	\$ 110,676	\$ 169,851	\$ 470,417
Total Assets	147,138	42,752	110,676	169,851	470,417
LIABILITIES					
Due to Other Funds				5,000	5,000
Accounts Payable	2,034				2,034
Due to Student Groups			110,676		110,676
Payroll Deductions & Withholdings				164,851	164,851
Total Liabilities	2,034	-	110,676	169,851	282,561
NET POSITION					
Held in Trust for					
Unemployment Claims	145,104				145,104
Reserved for Scholarships		42,752			42,752
Total Net Position	\$ 145,104	\$ 42,752	\$ -	\$ -	\$ 187,856

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Unemployment Compensation Fund	Private Purpose Scholarship Fund	Totals
ADDITIONS			
Contributions:			
Employees	\$ 19,791		\$ 19,791
Other		\$ 2,704	2,704
Investment Earnings:			
Interest	156	45	201
Total Additions	<u>19,947</u>	<u>2,749</u>	<u>22,696</u>
DEDUCTIONS			
Unemployment Claims	48,255		48,255
Scholarships Awarded		4,050	4,050
Total Deductions	<u>48,255</u>	<u>4,050</u>	<u>52,305</u>
Change in Net Position	(28,308)	(1,301)	(29,609)
Net Position, Beginning of the Year	<u>173,412</u>	<u>44,053</u>	<u>217,465</u>
Net Position, End of the Year	<u>\$ 145,104</u>	<u>\$ 42,752</u>	<u>\$ 187,856</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Balance 07/01/13	Additions	Deletions	Balance 06/30/14
ASSETS				
Cash & Cash Equivalents	\$ 101,656	\$ 188,265	\$ 179,245	\$ 110,676
TOTAL ASSETS	<u>\$ 101,656</u>	<u>\$ 188,265</u>	<u>\$ 179,245</u>	<u>\$ 110,676</u>
LIABILITIES				
Due to Student Groups:				
Student Activities	\$ 92,700	\$ 137,073	\$ 124,371	\$ 105,402
Athletic Activities	<u>8,956</u>	<u>51,192</u>	<u>54,874</u>	<u>5,274</u>
TOTAL LIABILITIES	<u>\$ 101,656</u>	<u>\$ 188,265</u>	<u>\$ 179,245</u>	<u>\$ 110,676</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Balance 07/01/13	Additions	Deletions	Balance 06/30/14
ASSETS				
Cash & Cash Equivalents	\$ 139,178	\$ 12,824,511	\$ 12,793,838	\$ 169,851
TOTAL ASSETS	<u>\$ 139,178</u>	<u>\$ 12,824,511</u>	<u>\$ 12,793,838</u>	<u>\$ 169,851</u>
LIABILITIES				
Due to Other Funds	\$ 4,998	\$ 2		\$ 5,000
Payroll Deductions & Withholdings:				
Net Payroll		7,247,440	\$ 7,247,181	259
Payroll Agency	134,180	5,577,069	5,546,657	164,592
TOTAL LIABILITIES	<u>\$ 139,178</u>	<u>\$ 12,824,511</u>	<u>\$ 12,793,838</u>	<u>\$ 169,851</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2014

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance	Issued	Retired	Balance
			Date	Amount		07/01/13			06/30/14
Refunding of Outstanding 2003 School Bonds	04/17/12	\$ 3,075,000	01/15/15	\$ 490,000	3.00%				
			01/15/16	505,000					
			01/15/17	520,000					
			01/15/18	535,000	4.00%				
			01/15/19	530,000		\$ 3,055,000		\$ 475,000	\$ 2,580,000
						<u>\$ 3,055,000</u>	<u>\$ -</u>	<u>\$ 475,000</u>	<u>\$ 2,580,000</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
TRANSPORTATION SERVICE ENTERPRISE FUND
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2014

	Interest Rate	Amount of Original Issue	Balance 07/01/13	Issued Current Year	Retired Current Year	Balance 06/30/14
Six 54-Passenger Buses	1.95%	\$ 492,609	\$ 341,320		\$ 82,874	\$ 258,446
			<u>\$ 341,320</u>	<u>\$ -</u>	<u>\$ 82,874</u>	<u>\$ 258,446</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
GENERAL FUND
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2014

	Interest Rate	Amount of Original Issue	Balance 07/01/13	Issued Current Year	Retired Current Year	Balance 06/30/14
260 iPad Airs & network trafficking device	1.90%	\$ 189,277		\$ 189,277		\$ 189,277
			<u>\$ -</u>	<u>\$ 189,277</u>	<u>\$ -</u>	<u>\$ 189,277</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 555,964		\$ 555,964	\$ 555,964	
Total Revenues	555,964	\$ -	555,964	555,964	\$ -
EXPENDITURES					
Regular Debt Service:					
Interest on Bonds	102,300		102,300	102,300	
Redemption of Principal	475,000		475,000	475,000	
Total Expenditures	577,300	-	577,300	577,300	-
Net Change in Fund Balances	(21,336)	-	(21,336)	(21,336)	-
Fund Balance, July 1	21,336	-	21,336	21,336	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	<u>\$ (21,336)</u>	<u>\$ -</u>	<u>\$ (21,336)</u>	<u>\$ (21,336)</u>	<u>\$ -</u>

STATISTICAL SECTION

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATISTICAL SECTION J SERIES

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	J-1 to J-6
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-7 to J-28
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-29 to J-36
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-37 to J-38
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-39 to J-43

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GOVERNMENT ACTIVITIES										
Net Investment in Capital Assets	\$ 1,239,450	\$ 7,467,414	\$ 7,410,446	\$ 7,515,354	\$ 8,099,215	\$ 7,870,924	\$ 8,112,333	\$ 8,326,584	\$ 9,145,599	\$ 9,901,929
Restricted	2,682,711	675,012	342,260	414,767	409,822	1,180,548	1,018,760	1,079,940	1,233,893	878,685
Unrestricted	(811,781)	(656,172)	(242,311)	344,121	(454,258)	(807,965)	(534,523)	(543,071)	(256,564)	(440,958)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 3,110,380	\$ 7,486,254	\$ 7,510,395	\$ 8,274,242	\$ 8,054,779	\$ 8,243,507	\$ 8,596,570	\$ 8,863,453	\$ 10,122,928	\$ 10,339,656
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 42,617	\$ 110,810	\$ 1,748,569	\$ 1,575,731	\$ 1,448,001	\$ 1,216,045	\$ 994,299	\$ 829,289	\$ 763,643	\$ 664,639
Restricted	44,282	86,449								
Unrestricted	266,476	322,622	226,774	362,644	505,995	546,074	627,333	780,935	719,834	868,033
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 353,375	\$ 519,881	\$ 1,975,343	\$ 1,938,375	\$ 1,953,996	\$ 1,762,119	\$ 1,621,632	\$ 1,610,224	\$ 1,483,477	\$ 1,532,672
DISTRICT-WIDE										
Net Investment in Capital Assets	\$ 1,282,067	\$ 7,578,224	\$ 9,159,015	\$ 9,091,085	\$ 9,547,216	\$ 9,086,969	\$ 9,106,632	\$ 9,155,873	\$ 9,909,242	\$ 10,566,568
Restricted	2,726,993	761,461	342,260	414,767	409,822	1,180,548	1,018,760	1,079,940	1,233,893	878,685
Unrestricted	(545,305)	(333,550)	(15,537)	706,765	51,737	(261,891)	92,810	237,864	463,270	427,075
TOTAL DISTRICT-WIDE	\$ 3,463,755	\$ 8,006,135	\$ 9,485,738	\$ 10,212,617	\$ 10,008,775	\$ 10,005,626	\$ 10,218,202	\$ 10,473,677	\$ 11,606,405	\$ 11,872,328

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EXPENSES										
Governmental Activities:										
Instruction:										
Regular	\$ 5,925,095	\$ 6,233,389	\$ 6,780,613	\$ 6,123,448	\$ 6,577,636	\$ 6,806,737	\$ 5,921,348	\$ 6,567,284	\$ 6,562,855	\$ 6,783,272
Special Education	1,207,999	1,231,620	1,039,752	1,539,537	1,624,178	2,019,811	1,991,378	1,996,335	1,911,556	1,544,142
Other Special Education	68,783	70,123	419,015	117,212	80,560	107,967	93,999	17,721	3,557	28,475
Other Instruction	891,945	950,336	1,209,911	1,275,918	1,351,133	1,345,429	1,406,839	1,327,057	1,330,447	1,414,072
Support Services:										
Tuition	565,875	818,795	972,416	1,032,040	1,031,523	909,236	864,066	1,020,360	1,061,429	940,653
Student & Instruction Related Services	1,848,917	1,836,939	1,920,718	2,489,857	2,435,152	2,541,581	2,589,517	2,801,731	2,849,424	3,570,980
General & Business Administrative Services	1,179,815	889,437	880,731	996,228	1,016,561	1,150,911	1,157,946	1,174,587	1,164,906	1,191,594
School Administration	433,081	588,060	666,853	529,411	514,981	582,320	532,398	537,653	599,512	599,975
Plant Operations & Maintenance	1,544,209	1,726,611	1,880,252	1,717,260	1,713,875	1,616,202	1,641,870	1,654,596	1,744,118	1,917,835
Pupil Transportation	617,611	972,369	1,083,017	1,280,005	1,484,905	1,188,704	1,080,191	1,166,677	1,218,965	1,216,043
Interest on Long Term Debt	371,895	53,665	106,024	197,316	183,150	169,723	189,607	127,930	133,563	123,357
Unallocated Depreciation		175,090	243,208							
Total Governmental Activities Expenses	14,655,225	15,546,434	17,202,510	17,298,232	18,013,654	18,438,621	17,469,159	18,391,931	18,580,332	19,330,398
Business-Type Activities:										
Food Services	277,178	286,688	312,198	384,704	413,719	324,654	355,819	380,362	435,304	452,199
Transportation	906,305	849,286	1,830,070	2,665,156	2,654,001	2,650,246	2,777,759	2,842,781	2,955,585	3,054,696
Information Technology								33,570	139,281	160,574
Total Business-Type Activities	1,183,483	1,135,974	2,142,268	3,049,860	3,067,720	2,974,900	3,133,578	3,256,713	3,530,170	3,667,469
TOTAL DISTRICT EXPENSES	\$ 15,838,708	\$ 16,682,408	\$ 19,344,778	\$ 20,348,092	\$ 21,081,374	\$ 21,413,521	\$ 20,602,737	\$ 21,648,644	\$ 22,110,502	\$ 22,997,867

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
Regular Instruction				\$ 22,432	\$ 19,490	\$ 13,253	\$ 11,222	\$ 57,945	\$ 75,013	\$ 100,383
Special Education Instruction							32,083	57,070	60,382	61,791
Other Instruction				2,776		7,255	16,085	13,349	11,053	670
Student & Instructional Related Services				2,286	3,418		43,700	60,680	17,424	32,742
General & Business Administration Services					638	1,502	1,960	15,736	17,164	23,810
School Administration Services								155		
Plant Operations & Maintenance				61,924	16,187	18,500	5,860	8,378	10,330	6,558
Pupil Transportation				4,344		1,202	350	4,071	1,090	
Operating Grants & Contributions	\$ 2,091,335	\$ 2,226,585	\$ 2,632,756	232,660	258,297	507,226	525,359	356,282	227,873	214,024
Total Governmental Activities Program Revenues	<u>2,091,335</u>	<u>2,226,585</u>	<u>2,632,756</u>	<u>326,422</u>	<u>298,030</u>	<u>548,938</u>	<u>636,619</u>	<u>573,666</u>	<u>420,329</u>	<u>439,978</u>
Business-Type Activities:										
Charges for Services:										
Food Service	286,143	263,397	283,412	329,418	302,877	328,379	318,602	319,010	344,117	339,217
Transportation	952,847	893,868	1,619,009	2,644,070	2,675,802	2,438,329	2,593,507	2,846,131	2,862,260	3,134,672
Information Technology								33,570	139,281	176,483
Operating Grants & Contributions			30,580	34,404	34,102	39,057	39,158	43,901	46,872	57,465
Total Business-Type Activities	<u>1,238,990</u>	<u>1,157,265</u>	<u>1,933,001</u>	<u>3,007,892</u>	<u>3,012,781</u>	<u>2,805,765</u>	<u>2,951,267</u>	<u>3,242,612</u>	<u>3,392,530</u>	<u>3,707,837</u>
TOTAL DISTRICT PROGRAM REVENUES	<u>\$ 3,330,325</u>	<u>\$ 3,383,850</u>	<u>\$ 4,565,757</u>	<u>\$ 3,334,314</u>	<u>\$ 3,310,811</u>	<u>\$ 3,354,703</u>	<u>\$ 3,587,886</u>	<u>\$ 3,816,278</u>	<u>\$ 3,812,859</u>	<u>\$ 4,147,815</u>
NET (EXPENSES) REVENUES										
Governmental Activities	\$ (12,563,890)	\$ (13,319,849)	\$ (14,569,754)	\$ (16,971,810)	\$ (17,715,624)	\$ (17,889,683)	\$ (16,832,540)	\$ (17,818,265)	\$ (18,160,003)	\$ (18,890,420)
Business-Type Activities	55,507	21,291	(209,267)	(41,968)	(54,939)	(169,135)	(182,311)	(14,101)	(137,640)	40,368
TOTAL DISTRICT NET EXPENSES	<u>\$ (12,508,383)</u>	<u>\$ (13,298,558)</u>	<u>\$ (14,779,021)</u>	<u>\$ (17,013,778)</u>	<u>\$ (17,770,563)</u>	<u>\$ (18,058,818)</u>	<u>\$ (17,014,851)</u>	<u>\$ (17,832,366)</u>	<u>\$ (18,297,643)</u>	<u>\$ (18,850,052)</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL REVENUES, SPECIAL ITEMS AND TRANSFERS										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 9,171,116	\$ 9,993,982	\$ 10,974,948	\$ 11,565,442	\$ 11,774,649	\$ 12,339,722	\$ 12,658,311	\$ 12,636,477	\$ 12,889,207	\$ 13,134,122
Property Taxes Levied for Debt Service	580,532	558,418	584,115	586,905	589,200	591,000	162,305	553,693	593,430	555,964
Unrestricted Grants & Contributions	2,812,758	5,302,355	3,483,358	5,420,415	5,042,621	5,192,310	4,551,441	5,084,389	5,415,942	5,406,445
Investment Earnings	105,578	39,164	15,461	114,611	43,642	18,339	13,662	3,879	3,908	3,504
Miscellaneous Income	77,750	166,343	194,610	48,284	20,662	26,811	152,531	31,311	134,520	59,847
Transfers Out		(31,859)	(30,650)		(6,752)	(90,000)	(350,052)	(100,000)		
Special Item-Payment to Bond Agent								(114,463)		
Special Item-Adjustment to Capital Asset Appraisal Report		1,696,502	1,514,099							
Special Item-Insurance Proceeds for Storm Damage									489,480	
Special Item-Gain (Loss) on Sale, Trade-in or Disposal of Capital Assets						229	(2,595)	(10,138)	(13,650)	(52,734)
Total Governmental Activities	12,747,734	17,724,905	16,735,941	17,735,657	17,464,022	18,078,411	17,185,603	18,085,148	19,512,837	19,107,148
Business-Type Activities:										
Miscellaneous Income							24	62	1,773	4,515
Transfers In (Out)		31,859	30,650			(20,929)				
Special Item-Prior Year Accounts Payable Canceled				5,000						
Special Item-Gain (Loss) on Deletion of Assets					2,100	(1,813)	41,800	2,631	9,120	4,312
Special Item-Adjustment to Capital Asset Appraisal Report		84,174								
Total Business-Type Activities	-	116,033	30,650	5,000	2,100	(22,742)	41,824	2,693	10,893	8,827
TOTAL DISTRICT GENERAL REVENUES, SPECIAL ITEMS AND TRANSFERS	\$ 12,747,734	\$ 17,840,938	\$ 16,766,591	\$ 17,740,657	\$ 17,466,122	\$ 18,055,669	\$ 17,227,427	\$ 18,087,841	\$ 19,523,730	\$ 19,115,975
CHANGE IN NET POSITION										
Governmental Activities	\$ 183,844	\$ 4,405,056	\$ 2,166,187	\$ 763,847	\$ (251,602)	\$ 188,728	\$ 353,063	\$ 266,883	\$ 1,352,834	\$ 216,728
Business-Type Activities	55,507	137,324	(178,617)	(36,968)	(52,839)	(191,877)	(140,487)	(11,408)	(126,747)	49,195
TOTAL DISTRICT CHANGE IN NET POSITION	\$ 239,351	\$ 4,542,380	\$ 1,987,570	\$ 726,879	\$ (304,441)	\$ (3,149)	\$ 212,576	\$ 255,475	\$ 1,226,087	\$ 265,923

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund:										
Restricted	\$ 352,580	\$ 204,214	\$ 256,402	\$ 278,624	\$ 123,471			\$ 61,573	\$ 61,573	
Committed		175,049	185,413	266,901	261,956	\$ 738,130	\$ 979,338	1,079,940	1,212,557	\$ 878,685
Assigned			73,988	472,069	83,886	157,619	275,460	415,447	611,669	426,340
Unassigned	109,512	127,180	156,431	141,962	(108,657)	(98,936)	43,618	16,407	79,342	239,521
Total General Fund	<u>\$ 462,092</u>	<u>\$ 506,443</u>	<u>\$ 672,234</u>	<u>\$ 1,159,556</u>	<u>\$ 360,656</u>	<u>\$ 796,813</u>	<u>\$ 1,298,416</u>	<u>\$ 1,573,367</u>	<u>\$ 1,965,141</u>	<u>\$ 1,544,546</u>
All Other Governmental Funds:										
Restricted, Reported in:										
Capital Projects Fund	\$ 2,330,131	\$ 295,749	\$ 497,934	\$ 469,422	\$ 469,422	\$ 39,422				
Assigned, Reported in:										
Debt Service Fund	22,038	(19)				430,000	\$ 39,422		\$ 21,336	
Total All Other Governmental Funds	<u>\$ 2,352,169</u>	<u>\$ 295,730</u>	<u>\$ 497,934</u>	<u>\$ 469,422</u>	<u>\$ 469,422</u>	<u>\$ 469,422</u>	<u>\$ 39,422</u>	<u>\$ -</u>	<u>\$ 21,336</u>	<u>\$ -</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Tax Levy	\$ 9,751,648	\$ 10,552,400	\$ 11,559,063	\$ 12,152,347	\$ 12,363,849	\$ 12,930,722	\$ 12,820,616	\$ 13,190,170	\$ 13,482,637	\$ 13,690,086
Tuition Charges		13,650		19,125	16,779	5,910	32,083	36,100	33,380	61,791
Transportation				4,122						
Interest Earnings	71,041	124,421	160,122	114,611	43,642	18,339	13,662	3,879	3,908	3,504
Local Contributions									88,617	6,085
Miscellaneous	112,287	67,436	49,949	85,970	32,789	39,637	234,645	31,123	71,949	56,456
State Sources	4,649,799	4,819,462	5,302,945	5,420,415	5,042,621	4,609,802	4,551,441	4,936,247	5,415,942	5,406,445
State Sources-Capital Projects	15,448	2,471,754	602,491							
Federal Sources	209,742	208,542	210,678	232,660	249,372	1,083,960	474,221	500,523	209,843	210,339
Total Revenues	14,809,965	18,257,665	17,885,248	18,029,250	17,749,052	18,688,370	18,126,668	18,698,042	19,306,276	19,434,706
Expenditures:										
Instruction:										
Regular Instruction	4,314,727	4,528,593	4,728,433	4,523,475	4,797,391	4,864,422	4,181,001	4,502,117	4,595,524	4,736,072
Special Education Instruction	779,093	898,446	981,866	1,131,213	1,169,436	1,340,851	1,301,265	1,324,608	1,300,227	1,039,553
Other Special Instruction	51,814	52,831	55,804	55,270	54,368	57,124	56,642	1,202	1,232	7,800
School Sponsored/Other Instructional	777,794	773,919	919,147	950,464	979,914	967,303	974,219	909,491	936,167	993,760
Support Services:										
Tuition	565,875	818,795	972,416	854,155	846,625	726,403	676,314	827,038	874,973	760,449
Student & Inst Related Services	1,434,484	1,397,993	1,426,458	1,764,487	1,789,464	1,731,990	1,678,011	1,807,074	1,986,978	2,440,575
General Administration	374,668	417,102	399,572	475,723	489,489	439,976	423,540	491,409	497,262	498,010
School Administration Services	370,500	380,485	410,291	421,487	378,140	404,820	382,939	372,540	417,994	414,962
Central Services	307,729	325,957	315,485	276,230	250,605	317,615	300,959	308,711	323,212	353,988
Administrative Information Technology				33,419	54,830	114,343	133,569	49,241	57,106	63,656
Plant Operations & Maintenance	1,479,909	1,515,096	1,635,004	1,518,779	1,474,730	1,359,046	1,368,422	1,373,582	1,467,139	1,619,068
Pupil Transportation	721,458	663,752	820,972	1,326,312	1,492,902	1,118,302	1,068,736	1,161,492	1,212,426	1,216,358
Employee Benefits	1,739,569	2,063,878	2,111,442	1,842,507	2,397,139	2,592,791	2,851,246	3,000,071	2,755,128	3,036,763
On-Behalf TPAF Pension & Social Security Contributions	827,232	957,825	1,403,712	1,427,202	926,084	933,278	906,187	1,077,768	1,316,846	1,178,883
Capital Outlay	594,607	144,069	110,902	121,640	592,586	98,485	250,493	189,844	813,484	887,712
Special Revenue Funds	214,532	212,542	210,678	232,660	258,297	507,226	525,359	356,282	227,873	214,024
Capital Projects Fund	3,830,840	4,506,136	400,306	28,512				72,356		
Debt Service:										
Principal	325,000	355,000	370,000	385,000	400,000	415,000	430,000	445,000	480,000	475,000
Interest & Other Charges	255,551	225,475	214,115	201,905	189,200	176,000	196,111	167,775	119,075	129,281
Total Expenditures	18,965,382	20,237,894	17,486,603	17,570,440	18,541,200	18,164,975	17,705,013	18,437,601	19,382,646	20,065,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,155,417)	(1,980,229)	398,645	458,810	(792,148)	523,395	421,655	260,441	(76,370)	(631,208)
Other Financing Sources (Uses):										
Proceeds from Bond Issue										
Proceeds from Refunding Bond Issue								3,075,000		
Proceeds from Capital Leases										189,277
Premium on Refunding Bond Issue								245,819		
Payment to Refunding Bond Agent								(3,248,463)		
Proceeds from Sale of Capital Assets						2,762		2,732		
Insurance Claim Proceeds for Flood Damage									489,480	
Transfers In (Out)		(31,859)	(30,650)		(6,752)	(90,000)	(350,052)	(100,000)		
Total Other Financing Sources (Uses)	-	(31,859)	(30,650)	-	(6,752)	(87,238)	(350,052)	(24,912)	489,480	189,277
Net Change in Fund Balances	\$ (4,155,417)	\$ (2,012,088)	\$ 367,995	\$ 458,810	\$ (798,900)	\$ 436,157	\$ 71,603	\$ 235,529	\$ 413,110	\$ (441,931)
Debt Service as a Percentage of Non- capital Expenditures	4.16%	3.87%	3.56%	3.49%	3.39%	3.38%	3.73%	3.50%	3.34%	3.26%

Source: District Records

NOTE: Non-capital expenditures are total expenditures less capital outlay, capital projects fund, and debt service

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LOCAL TAX LEVY BY CONSTITUENT DISTRICT
LAST SEVEN FISCAL YEARS

Fiscal Year	Township of Alexandria	Borough of Frenchtown	Township of Holland	Township of Kingwood	Borough of Milford	Totals
2008	\$ 4,377,008	\$ 900,748	\$ 3,495,843	\$ 2,696,960	\$ 681,788	\$ 12,152,347
2009	4,463,637	755,988	3,674,898	2,748,636	720,690	12,363,849
2010	4,745,522	749,212	3,827,215	2,915,082	693,691	12,930,722
2011	4,372,776	710,294	3,871,780	3,069,781	795,985	12,820,616
2012	4,337,911	655,433	4,079,543	3,340,691	776,592	13,190,170
2013	4,726,575	713,973	3,979,402	3,459,339	603,348	13,482,637
2014	4,845,771	781,862	3,868,105	3,582,150	612,198	13,690,086

Source: District Records

Note: Information prior to fiscal year 2008 is unavailable

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND-OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Description	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Interest Income	\$ 71,041	\$ 119,170	\$ 155,025	\$ 114,611	\$ 43,642	\$ 18,339	\$ 13,662	\$ 3,879	\$ 3,908	\$ 3,504
Tuition		13,650		19,125	16,779	5,910	32,083	36,100	33,380	61,791
Book Fines				2,286	1,857	2,871	1,811	563	484	1,575
Prior Year:										
Outstanding Checks Canceled				12,611		6,032	3,950	9,274		224
Refunds				15,723	560	15,379	19,102	6,933	15,147	14,872
Accounts Payable Canceled						2,120		2,498	6,348	
Sale of Surplus Equipment				222	120				6,230	170
Transportation				4,122						
Building Use Rental Income				33,307	1,100	5,550	5,325	400	1,000	100
Donations					16,214		2,000	100	70,587	2,400
Prior Year Expense Insurance & Restitution Recovery							129,400	6,500	5,500	1,853
Advanced Placement Testing Fees							21,691			135
Technology Student User Fees									36,720	35,022
Shared Service Fees										1,170
Miscellaneous:										
Account Balances Canceled				4,262					417	7
Refunds				12,749	74			176		205
Miscellaneous	9,714	38,774	49,949	4,810	3,939	1,911	228	778	103	1,123
Annual Totals	<u>\$ 80,755</u>	<u>\$ 171,594</u>	<u>\$ 204,974</u>	<u>\$ 223,828</u>	<u>\$ 84,285</u>	<u>\$ 58,112</u>	<u>\$ 229,252</u>	<u>\$ 67,201</u>	<u>\$ 179,824</u>	<u>\$ 124,151</u>

Sources: District Records

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY-ALL CONSTITUENT DISTRICTS
LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 71,769,879	\$ 75,428,179	\$ 83,396,300	\$ 74,728,800	\$ 66,839,400	\$ 58,521,900	\$ 52,832,600	\$ 50,270,900	\$ 48,539,200	\$ 40,527,800
Residential	1,642,067,600	1,667,358,600	1,949,119,300	1,983,441,800	1,999,400,800	1,934,002,200	1,943,464,700	1,930,780,900	1,921,569,100	1,721,382,800
Farm-Regular	222,408,200	235,005,000	303,512,600	313,057,500	322,024,300	310,206,800	311,591,200	314,133,600	315,570,700	288,474,400
Farm-Qualified	10,162,514	22,365,552	12,716,896	12,547,319	12,517,939	12,444,181	12,438,433	12,448,351	12,379,332	12,541,189
Commercial	93,349,373	92,724,673	113,482,558	112,788,758	118,843,658	111,884,758	112,262,958	111,870,858	112,145,458	109,316,181
Industrial	48,910,360	41,157,260	43,855,850	43,672,450	33,135,550	32,080,250	31,626,150	30,745,250	29,245,250	27,167,250
Apartment	12,145,100	12,111,800	12,449,380	12,449,380	12,776,000	12,131,400	12,100,800	12,100,800	12,100,800	11,568,800
Total Assessed Value	2,100,813,026	2,146,151,064	2,518,532,884	2,552,686,007	2,565,537,647	2,471,271,489	2,476,316,841	2,462,350,659	2,451,549,840	2,210,978,420
Public Utilities (a)	6,251,785	6,023,757	6,669,891	6,507,280	6,224,110	6,817,385	6,628,715	6,739,778	5,973,226	3,963,242
Net Valuation Taxable	<u>\$ 2,107,064,811</u>	<u>\$ 2,152,174,821</u>	<u>\$ 2,525,202,775</u>	<u>\$ 2,559,193,287</u>	<u>\$ 2,571,761,757</u>	<u>\$ 2,478,088,874</u>	<u>\$ 2,482,945,556</u>	<u>\$ 2,469,090,437</u>	<u>\$ 2,457,523,066</u>	<u>\$ 2,214,941,662</u>
Estimated Actual County Equalized Value	<u>\$ 2,320,891,611</u>	<u>\$ 2,569,718,167</u>	<u>\$ 2,831,345,195</u>	<u>\$ 2,828,793,819</u>	<u>\$ 2,762,640,809</u>	<u>\$ 2,744,512,632</u>	<u>\$ 2,617,660,326</u>	<u>\$ 2,483,110,721</u>	<u>\$ 2,375,458,520</u>	<u>\$ 2,318,832,685</u>
Percentage of Net Valuation to Estimated Actual County Equalized Value	<u>90.79%</u>	<u>83.75%</u>	<u>89.19%</u>	<u>90.47%</u>	<u>93.09%</u>	<u>90.29%</u>	<u>94.85%</u>	<u>99.44%</u>	<u>103.45%</u>	<u>95.52%</u>
Regional High School Tax Rate by Constituent District:										
Alexandria Township	<u>\$ 0.48</u>	<u>\$ 0.52</u>	<u>\$ 0.56</u>	<u>\$ 0.55</u>	<u>\$ 0.57</u>	<u>\$ 0.53</u>	<u>\$ 0.52</u>	<u>\$ 0.57</u>	<u>\$ 0.59</u>	<u>\$ 0.70</u>
Frenchtown Borough	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 0.61</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.47</u>	<u>\$ 0.44</u>	<u>\$ 0.48</u>	<u>\$ 0.52</u>	<u>\$ 0.57</u>
Holland Township	<u>\$ 0.42</u>	<u>\$ 0.46</u>	<u>\$ 0.46</u>	<u>\$ 0.48</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 0.52</u>	<u>\$ 0.50</u>	<u>\$ 0.61</u>
Kingwood Township	<u>\$ 0.76</u>	<u>\$ 0.79</u>	<u>\$ 0.39</u>	<u>\$ 0.39</u>	<u>\$ 0.41</u>	<u>\$ 0.51</u>	<u>\$ 0.55</u>	<u>\$ 0.57</u>	<u>\$ 0.59</u>	<u>\$ 0.61</u>
Milford Borough	<u>\$ 0.50</u>	<u>\$ 0.46</u>	<u>\$ 0.57</u>	<u>\$ 0.59</u>	<u>\$ 0.59</u>	<u>\$ 0.68</u>	<u>\$ 0.66</u>	<u>\$ 0.51</u>	<u>\$ 0.52</u>	<u>\$ 0.61</u>

Source: Municipal Tax Assessors

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.
Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY BY CONSTITUENT DISTRICT-
 ALEXANDRIA TOWNSHIP
 LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 36,947,000	\$ 42,729,100	\$ 33,421,700	\$ 27,780,400	\$ 23,145,300	\$ 19,873,200	\$ 14,932,700	\$ 13,406,100	\$ 12,754,400	\$ 10,448,300
Residential	580,220,100	591,260,800	613,108,800	644,944,300	653,844,600	661,048,700	670,392,500	661,932,700	654,129,600	569,320,900
Farm-Regular	93,233,700	102,581,300	110,104,700	114,371,300	119,772,700	120,545,600	121,687,600	122,866,700	123,550,900	106,917,400
Farm-Qualified	4,063,271	4,053,249	3,972,780	3,864,670	3,962,339	3,957,181	4,037,633	4,082,151	4,052,732	4,235,179
Commercial	22,067,188	21,353,888	21,479,488	21,719,788	21,679,788	21,720,188	21,752,488	21,045,588	20,957,488	19,100,800
Industrial	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	2,534,800	1,034,800	836,200
Apartment	418,900	418,900	418,900	418,900	418,900	418,900	418,900	418,900	418,900	230,400
Total Assessed Value	739,484,959	764,932,037	785,041,168	815,634,158	825,358,427	830,098,569	835,756,621	826,286,939	816,898,820	711,089,179
Public Utilities (a)	1,934,337	1,952,128	2,004,605	1,769,750	1,515,311	1,960,839	2,175,745	2,293,602	2,109,187	178,774
Net Valuation Taxable	\$ 741,419,296	\$ 766,884,165	\$ 787,045,773	\$ 817,403,908	\$ 826,873,738	\$ 832,059,408	\$ 837,932,366	\$ 828,580,541	\$ 819,008,007	\$ 711,267,953
Estimated Actual County Equalized Value	\$ 706,071,605	\$ 835,122,231	\$ 893,908,093	\$ 916,853,752	\$ 900,393,499	\$ 884,510,905	\$ 855,451,114	\$ 802,261,594	\$ 777,229,047	\$ 770,673,063
Percentage of Net Valuation to Estimated Actual County Equalized Value	105.01%	91.83%	88.05%	89.15%	91.83%	94.07%	97.95%	103.28%	105.38%	92.29%
Total Regional High School Tax Rate (b)	\$ 0.48	\$ 0.52	\$ 0.56	\$ 0.55	\$ 0.57	\$ 0.53	\$ 0.52	\$ 0.57	\$ 0.59	\$ 0.70

*

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation
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(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

(b) Tax rates are per \$100

* Revalued/Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY BY CONSTITUENT DISTRICT-
 FRENCHTOWN BOROUGH
 LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 2,704,600	\$ 2,617,100	\$ 2,554,500	\$ 2,554,500	\$ 2,608,300	\$ 2,505,100	\$ 2,505,100	\$ 2,505,100	\$ 2,505,100	\$ 2,505,100
Residential	108,135,800	108,765,800	108,162,700	108,094,600	108,052,500	109,384,700	108,678,000	108,976,400	108,741,700	109,474,900
Farm-Regular	898,600	898,600	898,600	898,600	898,600	898,600	898,600	898,600	898,600	898,600
Farm-Qualified	76,805	76,805	52,749	52,749	14,200	14,700	14,700	14,700	14,700	14,700
Commercial	26,621,400	26,699,600	26,662,500	28,085,300	27,687,500	26,861,900	26,785,700	26,737,800	26,737,800	26,449,600
Industrial	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350
Apartment	6,867,600	6,834,300	6,119,880	6,119,880	6,446,500	6,045,500	6,045,500	6,045,500	6,045,500	5,682,600
Total Assessed Value	149,031,155	149,618,555	148,177,279	149,531,979	149,433,950	149,436,850	148,653,950	148,904,450	148,669,750	148,751,850
Public Utilities (a)	881,591	970,914	945,769	1,059,003	1,130,900	889,485	725,240	592,657	489,679	594,036
Net Valuation Taxable	<u>\$ 149,912,746</u>	<u>\$ 150,589,469</u>	<u>\$ 149,123,048</u>	<u>\$ 150,590,982</u>	<u>\$ 150,564,850</u>	<u>\$ 150,326,335</u>	<u>\$ 149,379,190</u>	<u>\$ 149,497,107</u>	<u>\$ 149,159,429</u>	<u>\$ 149,345,886</u>
Estimated Actual County Equalized Value	<u>\$ 142,156,740</u>	<u>\$ 166,760,565</u>	<u>\$ 180,920,032</u>	<u>\$ 189,110,834</u>	<u>\$ 182,114,565</u>	<u>\$ 177,418,076</u>	<u>\$ 171,957,166</u>	<u>\$ 166,644,863</u>	<u>\$ 159,392,422</u>	<u>\$ 152,424,868</u>
Percentage of Net Valuation to Estimated Actual County Equalized Value	<u>105.46%</u>	<u>90.30%</u>	<u>82.42%</u>	<u>79.63%</u>	<u>82.68%</u>	<u>84.73%</u>	<u>86.87%</u>	<u>89.71%</u>	<u>93.58%</u>	<u>97.98%</u>
Total Regional High School Tax Rate (b)	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 0.61</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.47</u>	<u>\$ 0.44</u>	<u>\$ 0.48</u>	<u>\$ 0.52</u>	<u>\$ 0.57</u>

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation
 Re-assessment occurs when the County Board of Taxation requests Treasury to order a re-assessment

(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

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* Revalued/Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY BY CONSTITUENT DISTRICT-
 HOLLAND TOWNSHIP
 LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 19,866,700	\$ 18,740,600	\$ 15,993,100	\$ 13,910,600	\$ 13,960,200	\$ 13,623,600	\$ 12,898,800	\$ 11,043,000	\$ 10,255,300	\$ 6,480,600
Residential	631,566,600	637,852,300	646,038,300	644,816,900	646,967,000	646,506,300	646,373,000	646,768,800	643,244,500	525,191,400
Farm-Regular	64,036,700	66,490,700	66,731,500	72,529,100	73,861,100	75,961,400	75,820,600	74,547,600	75,823,800	65,474,000
Farm-Qualified	2,514,200	2,428,000	2,402,600	2,619,500	2,615,500	2,588,800	2,555,100	2,519,600	2,579,300	2,645,310
Commercial	16,210,700	16,221,100	16,192,600	16,192,600	16,150,100	16,302,400	16,202,400	16,745,200	16,745,200	16,026,211
Industrial	26,004,800	17,736,700	17,736,700	17,716,700	14,480,500	14,480,500	14,026,400	13,145,500	13,145,500	11,231,600
Apartment	409,900	409,900	409,900	409,900	409,900	409,900	409,900	409,900	409,900	429,300
Total Assessed Value	760,609,600	759,879,300	765,504,700	768,195,300	768,444,300	769,872,900	768,286,200	765,179,600	762,203,500	627,478,421
Public Utilities (a)	2,196,628	1,901,237	1,865,780	1,915,521	1,952,899	2,066,917	1,938,850	1,948,801	1,671,889	1,531,313
Net Valuation Taxable	<u>\$ 762,806,228</u>	<u>\$ 761,780,537</u>	<u>\$ 767,370,480</u>	<u>\$ 770,110,821</u>	<u>\$ 770,397,199</u>	<u>\$ 771,939,817</u>	<u>\$ 770,225,050</u>	<u>\$ 767,128,401</u>	<u>\$ 763,875,389</u>	<u>\$ 629,009,734</u>
Estimated Actual County Equalized Value	<u>\$ 759,926,853</u>	<u>\$ 808,243,008</u>	<u>\$ 876,204,072</u>	<u>\$ 854,549,495</u>	<u>\$ 830,689,491</u>	<u>\$ 832,100,698</u>	<u>\$ 783,944,071</u>	<u>\$ 746,069,777</u>	<u>\$ 691,448,812</u>	<u>\$ 670,270,971</u>
Percentage of Net Valuation to Estimated Actual County Equalized Value	<u>100.38%</u>	<u>94.25%</u>	<u>87.58%</u>	<u>90.12%</u>	<u>92.74%</u>	<u>92.77%</u>	<u>98.25%</u>	<u>102.82%</u>	<u>110.47%</u>	<u>93.84%</u>
Total Regional High School Tax Rate (b)	<u>\$ 0.42</u>	<u>\$ 0.46</u>	<u>\$ 0.46</u>	<u>\$ 0.48</u>	<u>\$ 0.50</u>	<u>\$ 0.50</u>	<u>\$ 0.53</u>	<u>\$ 0.52</u>	<u>\$ 0.50</u>	<u>\$ 0.61</u>

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Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation
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(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

(b) Tax rates are per \$100

* Revalued/Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY BY CONSTITUENT DISTRICT-
 KINGWOOD TOWNSHIP
 LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 9,292,379	\$ 9,344,079	\$ 29,392,700	\$ 28,977,700	\$ 24,913,500	\$ 19,877,000	\$ 19,848,200	\$ 20,682,400	\$ 20,444,100	\$ 18,828,600
Residential	232,456,100	236,095,900	486,985,900	490,067,000	494,471,800	421,467,300	422,700,800	417,770,800	420,624,300	422,482,000
Farm-Regular	62,830,700	63,625,900	124,369,300	123,850,000	126,078,000	111,387,300	111,775,600	114,411,900	113,888,600	113,765,600
Farm-Qualified	3,476,438	15,775,698	6,256,967	5,970,400	5,910,000	5,862,400	5,809,900	5,810,800	5,711,500	5,624,100
Commercial	16,010,415	16,010,415	36,682,000	34,335,100	40,870,300	34,544,300	35,078,200	34,583,000	34,945,700	34,980,300
Industrial	8,325,610	8,840,610	11,539,200	11,539,200	10,401,900	9,346,600	9,346,600	9,346,600	9,346,600	9,381,100
Apartment	1,210,500	1,210,500	2,262,500	2,262,500	2,262,500	2,018,900	1,988,300	1,988,300	1,988,300	1,988,300
Total Assessed Value	333,602,142	350,903,102	697,488,567	697,001,900	704,908,000	604,503,800	606,547,600	604,593,800	606,949,100	607,050,000
Public Utilities (a)	947,193	947,193	1,622,202	1,526,249	1,359,500	1,639,850	1,559,512	1,663,096	1,480,282	1,476,753
Net Valuation Taxable	<u>\$ 334,549,335</u>	<u>\$ 351,850,295</u>	<u>\$ 699,110,769</u>	<u>\$ 698,528,149</u>	<u>\$ 706,267,500</u>	<u>\$ 606,143,650</u>	<u>\$ 608,107,112</u>	<u>\$ 606,256,896</u>	<u>\$ 608,429,382</u>	<u>\$ 608,526,753</u>
Estimated Actual County Equalized Value	<u>\$ 577,613,171</u>	<u>\$ 615,263,836</u>	<u>\$ 716,228,633</u>	<u>\$ 717,447,587</u>	<u>\$ 704,115,651</u>	<u>\$ 697,511,612</u>	<u>\$ 660,555,194</u>	<u>\$ 639,241,772</u>	<u>\$ 629,713,705</u>	<u>\$ 611,216,103</u>
Percentage of Net Valuation to Estimated Actual County Equalized Value	<u>57.92%</u>	<u>57.19%</u>	<u>97.61%</u>	<u>97.36%</u>	<u>100.31%</u>	<u>86.90%</u>	<u>92.06%</u>	<u>94.84%</u>	<u>96.62%</u>	<u>99.56%</u>
Total Regional High School Tax Rate (b)	<u>\$ 0.76</u>	<u>\$ 0.79</u>	<u>\$ 0.39</u>	<u>\$ 0.39</u>	<u>\$ 0.41</u>	<u>\$ 0.51</u>	<u>\$ 0.55</u>	<u>\$ 0.57</u>	<u>\$ 0.59</u>	<u>\$ 0.61</u>

★

★

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation
 Re-assessment occurs when the County Board of Taxation requests Treasury to order a re-assessment

(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

(b) Tax rates are per \$100

★ Revalued/Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY BY CONSTITUENT DISTRICT-
 MILFORD BOROUGH
 LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Vacant Land	\$ 2,959,200	\$ 1,997,300	\$ 2,034,300	\$ 1,505,600	\$ 2,212,100	\$ 2,643,000	\$ 2,647,800	\$ 2,634,300	\$ 2,580,300	\$ 2,265,200
Residential	89,689,000	93,383,800	94,823,600	95,519,000	96,064,900	95,595,200	95,320,400	95,332,200	94,829,000	94,913,600
Farm-Regular	1,408,500	1,408,500	1,408,500	1,408,500	1,413,900	1,413,900	1,408,800	1,408,800	1,408,800	1,418,800
Farm-Qualified	31,800	31,800	31,800	40,000	15,900	21,100	21,100	21,100	21,100	21,900
Commercial	12,439,670	12,439,670	12,465,970	12,455,970	12,455,970	12,455,970	12,444,170	12,759,270	12,759,270	12,759,270
Industrial	8,318,800	8,318,800	8,318,800	8,155,400	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000
Apartment	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200	3,238,200
Total Assessed Value	118,085,170	120,818,070	122,321,170	122,322,670	117,392,970	117,359,370	117,072,470	117,385,870	116,828,670	116,608,970
Public Utilities (a)	292,036	252,285	231,535	236,757	265,500	260,294	229,368	241,622	222,189	182,366
Net Valuation Taxable	\$ 118,377,206	\$ 121,070,355	\$ 122,552,705	\$ 122,559,427	\$ 117,658,470	\$ 117,619,664	\$ 117,301,838	\$ 117,627,492	\$ 117,050,859	\$ 116,791,336
Estimated Actual County Equalized Value	\$ 135,123,242	\$ 144,328,527	\$ 164,084,365	\$ 150,832,151	\$ 145,327,603	\$ 152,971,341	\$ 145,752,781	\$ 128,892,715	\$ 117,674,534	\$ 114,247,680
Percentage of Net Valuation to Estimated Actual County Equalized Value	87.61%	83.89%	74.69%	81.26%	80.96%	76.89%	80.48%	91.26%	99.47%	102.23%
Total Regional High School Tax Rate (b)	\$ 0.50	\$ 0.46	\$ 0.57	\$ 0.59	\$ 0.59	\$ 0.68	\$ 0.66	\$ 0.51	\$ 0.52	\$ 0.61

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation
 Re-assessment occurs when the County Board of Taxation requests Treasury to order a re-assessment

(a) Taxable value of machinery, implements and equipments of telephone and messenger system companies

(b) Tax rates are per \$100

* Revalued/Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES BY CONSTITUENT DISTRICT-
ALEXANDRIA TOWNSHIP
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate			Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7) Total Regional High School Tax Rate	Direct School Tax Rate	Municipality	County	
2005	\$ 0.45	\$ 0.03	\$ 0.48	\$ 0.85	\$ 0.19	\$ 0.36	\$ 1.88
2006	0.49	0.03	0.52	0.88	0.21	0.39	2.00
2007	0.53	0.03	0.56	0.90	0.21	0.38	2.05
2008	0.52	0.03	0.55	0.91	0.21	0.37	2.04
2009	0.54	0.03	0.57	0.91	0.21	0.38	2.07
2010	0.52	0.01	0.53	0.95	0.21	0.36	2.05
2011	0.50	0.02	0.52	0.93	0.21	0.35	2.01
2012	0.54	0.03	0.57	0.96	0.21	0.34	2.08
2013	0.57	0.02	0.59	0.97	0.21	0.34	2.11
2014	* 0.67	0.03	0.70	1.14	0.24	0.40	2.48

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
(b) Rates for debt service are based on each year's requirements.

* Revalued / Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES BY CONSTITUENT DISTRICT-
FRENCHTOWN BOROUGH
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate			Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7) Total Regional High School Tax Rate	Direct School Tax Rate	Municipality	County	
2005	\$ 0.47	\$ 0.03	\$ 0.50	\$ 0.95	\$ 0.44	\$ 0.36	\$ 2.25
2006	0.50	0.03	0.53	0.99	0.50	0.40	2.42
2007	0.58	0.03	0.61	1.05	0.55	0.40	2.61
2008	0.48	0.02	0.50	1.08	0.54	0.42	2.54
2009	0.48	0.02	0.50	1.12	0.56	0.42	2.60
2010	0.46	0.01	0.47	1.17	0.60	0.41	2.65
2011	0.42	0.02	0.44	1.19	0.62	0.40	2.65
2012	0.46	0.02	0.48	1.21	0.65	0.40	2.74
2013	0.50	0.02	0.52	1.24	0.67	0.40	2.83
2014	0.55	0.02	0.57	1.26	0.71	0.38	2.92

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

(a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.

(b) Rates for debt service are based on each year's requirements.

* Revalued / Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES BY CONSTITUENT DISTRICT-
HOLLAND TOWNSHIP
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate			Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7) Total Regional High School Tax Rate	Direct School Tax Rate	Municipality	County	
2005	* \$ 0.40	\$ 0.02	\$ 0.42	\$ 0.88		\$ 0.38	\$ 1.68
2006	0.44	0.02	0.46	0.96		0.38	1.80
2007	0.44	0.02	0.46	0.99		0.38	1.83
2008	0.46	0.02	0.48	1.00		0.37	1.85
2009	0.48	0.02	0.50	1.05		0.37	1.92
2010	0.49	0.01	0.50	1.08		0.37	1.95
2011	0.51	0.02	0.53	1.09		0.35	1.97
2012	0.50	0.02	0.52	1.08		0.34	1.94
2013	0.48	0.02	0.50	1.11		0.33	1.94
2014	* 0.58	0.03	0.61	1.37	\$ 0.10	0.39	2.47

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
(b) Rates for debt service are based on each year's requirements.

* Revalued / Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES BY CONSTITUENT DISTRICT-
KINGWOOD TOWNSHIP
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate				Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7)	Direct School Tax Rate	Municipality	County		
			Total Regional High School Tax Rate					
2005	\$ 0.72	\$ 0.04	\$ 0.76	\$ 1.36	\$ 0.31	\$ 0.65	\$ 3.08	
2006	0.75	0.04	0.79	1.37	0.30	0.62	3.08	
2007	*	0.37	0.02	0.39	0.72	0.17	0.34	1.62
2008		0.37	0.02	0.39	0.74	0.19	0.34	1.66
2009		0.39	0.02	0.41	0.75	0.19	0.34	1.69
2010	*	0.50	0.01	0.51	0.90	0.22	0.39	2.02
2011		0.53	0.02	0.55	0.89	0.22	0.37	2.03
2012		0.54	0.03	0.57	0.91	0.23	0.37	2.08
2013		0.57	0.02	0.59	0.90	0.23	0.38	2.10
2014		0.58	0.03	0.61	0.91	0.24	0.37	2.13

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
(b) Rates for debt service are based on each year's requirements.

* Revalued / Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES BY CONSTITUENT DISTRICT-
MILFORD BOROUGH
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate			Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-7) Total Regional High School Tax Rate	Direct School Tax Rate	Municipality	County	
2005	\$ 0.47	\$ 0.03	\$ 0.50	\$ 1.18	\$ 0.45	\$ 0.42	\$ 2.55
2006	0.44	0.02	0.46	1.23	0.51	0.42	2.62
2007	0.54	0.03	0.57	1.27	0.60	0.43	2.87
2008	0.56	0.03	0.59	1.30	0.64	0.40	2.93
2009	0.56	0.03	0.59	1.41	0.68	0.42	3.10
2010	0.67	0.01	0.68	1.48	0.68	0.44	3.28
2011	0.63	0.03	0.66	1.48	0.68	0.42	3.24
2012	0.49	0.02	0.51	1.50	0.69	0.38	3.08
2013	0.50	0.02	0.52	1.54	0.70	0.35	3.11
2014	0.58	0.03	0.61	1.53	0.71	0.35	3.20

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
(b) Rates for debt service are based on each year's requirements.

* Revalued / Reassessed

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS BY CONSTITUENT DISTRICT-
 ALEXANDRIA TOWNSHIP
 CURRENT YEAR AND NINE YEARS PRIOR

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Individual Property Owner #1	\$ 5,758,800	1	0.81%			
Sky Manor Airport Partners LLC	2,598,800	2	0.37%			
Columbia Gas Transmission	2,427,300	3	0.34%	\$ 2,571,488	3	0.35%
Individual Property Owner #2	1,460,100	4	0.21%			
Individual Property Owner #3	1,428,700	5	0.20%			
Desapio Properties #Six	1,396,600	6	0.20%			
Abplanalp c/o J Veneruso, Esq.	1,316,700	7	0.19%			
Manchanda Shapiro Rauch LLC	1,209,300	8	0.17%	1,541,000	6	0.21%
Alexandria Airpark LLC	1,196,700	9	0.17%			
Individual Property Owner #4	1,168,000	10	0.16%			
Individual Property Owner #5				6,182,300	1	0.83%
Individual Property Owner #6				3,561,300	2	0.48%
CP Assignment LTD c/o Burkhardt				1,993,500	4	0.27%
United Telephone Company				1,852,399	5	0.25%
Saphire Inc c/o Riverside Jeans				1,486,900	7	0.20%
Individual Property Owner #7				1,229,700	8	0.17%
Individual Property Owner #8				1,207,300	9	0.16%
Individual Property Owner #9				1,150,000	10	0.16%
	<u>\$ 19,961,000</u>		<u>2.82%</u>	<u>\$ 22,775,887</u>		<u>3.08%</u>

Source: Municipal Tax Assessor

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS BY CONSTITUENT DISTRICT-
 FRENCHTOWN BOROUGH
 CURRENT YEAR AND NINE YEARS PRIOR

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Frenchtown Associates LLC	\$ 2,950,000	1	1.98%	\$ 3,390,100	1	2.26%
Frenchtown Properties LLC	2,145,200	2	1.44%	2,145,200	2	1.43%
Frenchtown Barn Center LLC	1,500,000	3	1.00%	1,113,600	4	0.74%
Davon LLC	977,200	4	0.65%	977,200	5	0.65%
Bridge Race Properties LLC	972,200	5	0.65%	972,200	6	0.65%
Individual Property Owner #1	830,800	6	0.56%	830,800	8	0.55%
Traub Holdings LLC	758,400	7	0.51%	758,400	10	0.51%
B & B Properties LLC	748,500	8	0.50%			
T2 Services Inc	724,700	9	0.49%			
Individual Property Owner #2	718,800	10	0.48%			
Individual Property Owner #3				1,586,300	3	1.06%
United Telephone Company of NJ				881,591	7	0.59%
Individual Property Owner #4				809,900	9	0.54%
	<u>\$ 12,325,800</u>		<u>8.26%</u>	<u>\$ 13,465,291</u>		<u>8.98%</u>

Source: Municipal Tax Assessor

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS BY CONSTITUENT DISTRICT-
 HOLLAND TOWNSHIP
 CURRENT YEAR AND NINE YEARS PRIOR

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Genon Energy Services	\$ 6,515,900	1	1.04%	\$ 15,820,000	1	2.08%
Oak Hill Golf Club	4,750,700	2	0.76%	5,133,100	3	0.67%
Individual Property Owner #1	4,388,600	3	0.70%	4,145,100	4	0.54%
Georgia Pacific Corporation	2,789,400	4	0.44%			
Columbia Gas	1,897,400	5	0.30%	2,206,500	6	0.29%
Individual Property Owner #2	1,463,000	6	0.23%			
Fiberville Estates	1,368,700	7	0.22%			
Holland Retail LLC	1,228,700	8	0.20%			
Verizon-NJ	1,205,549	9	0.19%	1,860,051	8	0.24%
KJA Holdings Inc.	1,349,500	10	0.21%			
Fibermark				7,492,100	2	0.98%
SV Partnership				3,792,500	5	0.50%
Individual Property Owner #3				2,056,100	7	0.27%
Individual Property Owner #4				1,667,300	9	0.22%
Individual Property Owner #5				1,284,700	10	0.17%
	<u>\$ 26,957,449</u>		<u>4.29%</u>	<u>\$ 45,457,451</u>		<u>5.96%</u>

Source: Municipal Tax Assessor

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS BY CONSTITUENT DISTRICT-
 KINGWOOD TOWNSHIP
 CURRENT YEAR AND NINE YEARS PRIOR

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Buckeye Pipeline Co	\$ 4,575,000	1	0.75%	\$ 2,931,500	2	0.88%
SPF Route 12 LLC.	4,188,100	2	0.69%			
Mel Chemicals Inc.	3,498,200	3	0.57%			
Buckeye Pipeline Co	3,040,000	4	0.50%			
Perini Properties Inc	2,895,500	5	0.48%			
869 Associates LLC	2,324,100	6	0.38%			
Individual Property Owner #1	1,650,800	7	0.27%	2,731,391	3	0.82%
Frenchtown ii Solar LLC	1,500,000	8	0.25%			
880 State Highway 12 LLC	1,486,000	9	0.24%			
Individual Property Owner #2	1,435,800	10	0.24%	1,235,298	5	0.37%
Magnesium Elektron Inc.				3,835,700	1	1.15%
Lutz Welding & Fabricating				1,783,100	4	0.53%
Individual Property Owner #3				1,188,964	6	0.36%
Individual Property Owner #4				1,091,470	7	0.33%
Individual Property Owner #5				877,620	8	0.26%
Individual Property Owner #6				869,800	9	0.26%
Horseshoe Bend LLC.				827,500	10	0.25%
	<u>\$ 26,593,500</u>		<u>4.37%</u>	<u>\$ 17,372,343</u>		<u>5.21%</u>

Source: Municipal Tax Assessor

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS BY CONSTITUENT DISTRICT-
 MILFORD BOROUGH
 CURRENT YEAR AND NINE YEARS PRIOR

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Pine Crest Village Associates c/o Branch	\$ 3,238,200	1	2.77%	\$ 3,238,200	2	2.74%
International Paper Company	1,336,600	2	1.14%			
Hunterdon Medical Center	1,131,000	3	0.97%	1,131,000	3	0.96%
60 Bridge Street LLC #1	805,500	4	0.69%			
60 Bridge Street LLC #2	702,100	5	0.60%			
Peter Trustee Kerl	573,700	6	0.49%	573,700	5	0.49%
Individual Property Owner #1	539,100	7	0.46%			
Stem Brothers	523,700	8	0.45%	523,700	7	0.45%
Individual Property Owner #2	504,800	9	0.43%			
Individual Property Owner #3	485,400	10	0.42%			
Royal Blue Papers Incorporated				7,500,000	1	6.34%
Hudson United Bank				702,100	4	0.59%
Individual Property Owner #4				563,200	6	0.48%
The Baker Acquisition Corp				490,400	8	0.41%
Milford Market Inc.				462,500	9	0.39%
	<u>\$ 9,840,100</u>		<u>8.42%</u>	<u>\$ 15,184,800</u>		<u>12.85%</u>

Source: Municipal Tax Assessor

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS-
ALL CONSTITUENT DISTRICTS
LAST TEN YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 41,253,387	\$ 39,816,461	96.52%
2005	44,234,125	42,855,912	96.88%
2006	48,153,176	46,150,813	95.84%
2007	49,666,924	48,061,258	96.77%
2008	50,410,019	48,733,738	96.67%
2009	51,616,219	49,927,007	96.73%
2010	52,304,396	50,848,046	97.22%
2011	52,389,218	50,920,236	97.20%
2012	52,530,174	51,183,005	97.44%
2013	53,038,317	51,513,346	97.12%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-ALEXANDRIA TOWNSHIP
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 13,397,029	\$ 13,068,375	97.55%
2005	14,437,176	14,044,869	97.28%
2006	15,931,698	15,474,906	97.13%
2007	16,649,297	16,157,347	97.05%
2008	16,864,974	16,357,947	96.99%
2009	17,244,150	16,796,794	97.41%
2010	17,108,149	16,736,531	97.83%
2011	16,814,218	16,484,702	98.04%
2012	17,240,449	16,920,099	98.14%
2013	17,360,535	16,983,790	97.83%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-FRECHTOWN BOROUGH
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 3,221,596	\$ 3,065,440	95.15%
2005	3,380,115	3,276,470	96.93%
2006	3,648,964	3,459,905	94.82%
2007	3,920,222	3,736,078	95.30%
2008	3,852,232	3,741,706	97.13%
2009	3,925,744	3,642,780	92.79%
2010	3,982,690	3,753,793	94.25%
2011	3,969,209	3,662,420	92.27%
2012	4,101,468	3,874,442	94.46%
2013	4,230,272	4,059,133	95.95%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-HOLLAND TOWNSHIP
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 12,270,594	\$ 11,936,109	97.27%
2005	12,945,989	12,659,114	97.78%
2006	13,824,703	13,489,252	97.57%
2007	14,126,824	13,825,854	97.87%
2008	14,326,777	13,990,030	97.65%
2009	14,783,316	14,476,124	97.92%
2010	15,104,272	14,801,704	98.00%
2011	15,216,041	14,971,324	98.39%
2012	14,931,139	14,704,177	98.48%
2013	14,846,969	14,461,715	97.41%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-KINGWOOD TOWNSHIP
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 9,341,808	\$ 8,995,984	96.30%
2005	10,365,736	10,032,517	96.79%
2006	11,482,594	10,736,432	93.50%
2007	11,426,531	11,075,341	96.93%
2008	11,742,295	11,327,917	96.47%
2009	12,016,948	11,452,551	95.30%
2010	12,253,395	11,821,890	96.48%
2011	12,574,328	12,112,601	96.33%
2012	12,635,478	12,203,574	96.58%
2013	12,948,202	12,508,826	96.61%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-MILFORD BOROUGH
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2004	\$ 3,022,360	\$ 2,750,553	91.01%
2005	3,105,109	2,842,942	91.56%
2006	3,265,217	2,990,318	91.58%
2007	3,544,050	3,266,638	92.17%
2008	3,623,741	3,316,138	91.51%
2009	3,646,061	3,558,758	97.60%
2010	3,855,890	3,734,128	96.84%
2011	3,815,422	3,689,189	96.69%
2012	3,621,640	3,480,713	96.11%
2013	3,652,339	3,499,882	95.82%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

(a) School taxes are collected by the municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2005	\$ 6,394,000		\$ 158,914			\$ 6,552,914	0.64%	\$ 390
2006	6,039,000		64,907	\$ 1,600,000		7,703,907	0.76%	457
2007	5,669,000		27,766			5,696,766	0.52%	336
2008	5,284,000					5,284,000	0.45%	309
2009	4,884,000					4,884,000	0.41%	286
2010	4,469,000					4,469,000	0.39%	261
2011	4,039,000					4,039,000	0.37%	242
2012	3,535,000				\$ 422,609	3,957,609	0.34%	238
2013	3,055,000				341,320	3,396,320	0.29%	206
2014	2,580,000		189,277		258,446	3,027,723	N/A	183

NOTE: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

(a) See Exhibit J-37 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(b) Includes Early Retirement Incentive Plan (ERIP) Refunding

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions			
2005	\$ 6,394,000		\$ 6,394,000	0.30%	\$ 380
2006	6,039,000		6,039,000	0.28%	358
2007	5,669,000		5,669,000	0.22%	334
2008	5,284,000		5,284,000	0.21%	309
2009	4,884,000		4,884,000	0.19%	286
2010	4,469,000		4,469,000	0.18%	261
2011	4,039,000		4,039,000	0.16%	242
2012	3,535,000		3,535,000	0.14%	212
2013	3,055,000		3,055,000	0.12%	186
2014	2,580,000		2,580,000	0.12%	156

NOTES: (1) Details regarding the district's outstanding debt can be found in the notes to the financial statements.

(a) See Exhibit J-7 for property tax data.

(b) Population data can be found in Exhibit J-37.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT BY CONSTITUENT DISTRICT-
ALEXANDRIA TOWNSHIP
AS OF DECEMBER 31, 2013

	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Local School District Debt	\$ 1,695,000	100.00	\$ 1,695,000
Regional High School District Debt	3,055,000	32.87	1,004,066
County General Obligation Debt	69,514,672	3.68	2,561,124
Subtotal Overlapping Debt			5,260,190
Municipality Direct Debt			7,246,750
Total Direct and Overlapping Debt			<u>\$ 12,506,940</u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

- (a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT BY CONSTITUENT DISTRICT-
FRENCHTOWN BOROUGH
AS OF DECEMBER 31, 2013

	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Local School District Debt	\$ 399,000	100.00	\$ 399,000
Regional High School District Debt	3,055,000	6.63	202,531
County General Obligation Debt	69,514,672	0.74	516,606
Subtotal Overlapping Debt			1,118,137
Municipality Direct Debt			2,792,672
Total Direct and Overlapping Debt			\$ 3,910,809

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

- (a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT BY CONSTITUENT DISTRICT-
HOLLAND TOWNSHIP
AS OF DECEMBER 31, 2013

	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Regional High School District Debt	\$ 3,055,000	29.41	\$ 898,347
County General Obligation Debt	69,514,672	3.30	2,291,461
Subtotal Overlapping Debt			3,189,808
Municipality Direct Debt			522,500
Total Direct and Overlapping Debt			<u>\$ 3,712,308</u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

- (a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT BY CONSTITUENT DISTRICT-
KINGWOOD TOWNSHIP
AS OF DECEMBER 31, 2013

	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Local School District Debt	\$ 2,070,000	100.00	\$ 2,070,000
Regional High School District Debt	3,055,000	26.08	796,816
County General Obligation Debt	69,514,672	2.92	2,032,478
Subtotal Overlapping Debt			4,899,294
Municipality Direct Debt			3,152,600
Total Direct and Overlapping Debt			<u>\$ 8,051,894</u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

- (a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT BY CONSTITUENT DISTRICT-
MILFORD BOROUGH
AS OF DECEMBER 31, 2013

	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Regional High School District Debt	\$ 3,055,000	5.02	\$ 153,240
County General Obligation Debt	69,514,672	0.56	390,876
Subtotal Overlapping Debt			544,116
Municipality Direct Debt			899,503
Total Direct and Overlapping Debt			<u>\$ 1,443,619</u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

- (a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION,
LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis- All Constituent Districts

2013 \$ 2,319,289,818
2012 2,379,373,290
2011 2,489,815,949

\$ 7,188,479,057

Average Equalized Valuation of Taxable Property \$ 2,396,159,686

Debt Limit (3.0% of Average Equalization Value) \$ 71,884,791 (a)

Total Net Debt Applicable to Limit 2,580,000

Legal Debt Margin \$ 69,304,791

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 56,363,496	\$ 63,730,851	\$ 71,698,403	\$ 78,820,849	\$ 83,261,784	\$ 83,850,857	\$ 81,655,498	\$ 78,254,366	\$ 75,789,695	\$ 71,884,791
Total Net Debt Applicable	<u>6,394,000</u>	<u>6,039,000</u>	<u>5,669,000</u>	<u>5,284,000</u>	<u>4,884,000</u>	<u>4,469,000</u>	<u>4,039,000</u>	<u>3,535,000</u>	<u>3,055,000</u>	<u>2,580,000</u>
Legal Debt Margin	<u>\$ 49,969,496</u>	<u>\$ 57,691,851</u>	<u>\$ 66,029,403</u>	<u>\$ 73,536,849</u>	<u>\$ 78,377,784</u>	<u>\$ 79,381,857</u>	<u>\$ 77,616,498</u>	<u>\$ 74,719,366</u>	<u>\$ 72,734,695</u>	<u>\$ 69,304,791</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.34%	9.48%	7.91%	6.70%	5.87%	5.33%	4.95%	4.52%	4.03%	3.59%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey,
Department of Treasury, Division of Taxation

(a) Limit Set by NJSA 18A:24-19

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Constituent District	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
SCHOOL DISTRICT POPULATION (a)										
Alexandria Township	4,912	4,947	5,029	5,118	5,134	5,145	4,939	4,926	4,869	4,905
Frenchtown Borough	1,495	1,486	1,477	1,473	1,467	1,467	1,374	1,369	1,354	1,356
Holland Township	5,243	5,246	5,252	5,260	5,253	5,268	5,291	5,278	5,194	5,227
Kingwood Township	3,962	3,971	3,999	4,032	4,055	4,057	3,844	3,834	3,826	3,833
Milford Borough	1,193	1,199	1,205	1,200	1,194	1,192	1,234	1,231	1,208	1,216
	<u>16,805</u>	<u>16,849</u>	<u>16,962</u>	<u>17,083</u>	<u>17,103</u>	<u>17,129</u>	<u>16,682</u>	<u>16,638</u>	<u>16,451</u>	<u>16,537</u>
PERSONAL INCOME (b)										
Alexandria Township	\$ 296,964,784	\$ 299,501,274	\$ 326,895,058	\$ 349,922,778	\$ 353,357,818	\$ 339,883,845	\$ 322,743,894	\$ 341,667,360	\$ 351,205,839	N/A
Frenchtown Borough	90,383,215	89,965,412	96,007,954	100,710,483	100,969,209	96,911,487	89,785,404	94,953,840	97,665,374	N/A
Holland Township	316,976,051	317,603,332	341,390,504	359,631,460	361,548,231	348,009,348	345,745,686	366,082,080	374,648,414	N/A
Kingwood Township	239,530,634	240,412,282	259,942,998	275,671,872	279,093,485	268,009,477	251,190,024	265,926,240	275,973,206	N/A
Milford Borough	72,125,201	72,589,858	78,327,410	82,045,200	82,179,438	78,744,712	80,636,964	85,382,160	87,134,248	N/A
	<u>\$ 1,015,979,885</u>	<u>\$ 1,020,072,158</u>	<u>\$ 1,102,563,924</u>	<u>\$ 1,167,981,793</u>	<u>\$ 1,177,148,181</u>	<u>\$ 1,131,558,869</u>	<u>\$ 1,090,101,972</u>	<u>\$ 1,154,011,680</u>	<u>\$ 1,186,627,081</u>	N/A
PER CAPITA PERSONAL INCOME (c)										
County of Hunterdon	\$ 60,457	\$ 60,542	\$ 65,002	\$ 68,371	\$ 68,827	\$ 66,061	\$ 65,346	\$ 69,360	\$ 72,131	N/A
UNEMPLOYMENT RATE (d)										
Alexandria Township	4.4%	4.6%	5.7%	4.9%	6.4%	11.4%	11.7%	11.5%	11.8%	8.0%
Frenchtown Borough	3.6%	4.1%	3.1%	2.7%	3.5%	6.4%	6.6%	6.5%	6.7%	6.7%
Holland Township	3.9%	3.2%	4.0%	3.5%	4.5%	8.2%	8.4%	8.2%	8.4%	7.6%
Kingwood Township	4.7%	3.4%	3.8%	3.3%	4.3%	7.8%	8.0%	7.8%	8.0%	4.9%
Milford Borough	3.6%	3.8%	6.2%	5.4%	7.0%	12.4%	12.7%	12.5%	12.9%	5.9%

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development
- (b) Personal Income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per Capita Personal Income by County Estimated Based Upon the 2010 Census Published by the US Bureau of Economic Analysis.
- (d) Unemployment Data Provided by the NJ Dept of Labor and Workforce Development

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Employer	2014			2005		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction:										
Regular	57.0	59.0	65.0	61.5	64.0	61.0	52.5	56.0	55.0	58.5
Special Education	13.0	14.0	14.0	16.5	14.0	34.0	31.0	28.0	25.8	25.8
Other Instruction	6.0	6.0	6.0	7.5	9.0	1.0	2.0	2.5	3.0	3.0
Support Services:										
Student and Instruction Related Services	25.0	29.0	24.0	32.5	32.0	23.3	23.3	24.3	23.8	26.8
General Administration	5.0	5.0	4.0	4.0	4.0	1.5	1.5	1.5	1.5	1.5
School Administration Services	7.0	7.0	6.0	6.0	6.0	5.0	4.0	5.0	5.0	5.0
Central Services	3.0	3.0	3.0	3.0	3.0	3.5	3.5	3.5	3.5	3.5
Administrative Information Technology						1.0	0.5	0.5	0.5	0.5
Plant Operations and Maintenance	9.0	10.0	10.0	10.0	10.0	10.5	9.5	11.0	10.5	11.5
Pupil Transportation	27.0	41.0	45.0	55.0	50.0	37.0	31.0	32.0	37.0	49.0
Total	152.0	174.0	177.0	196.0	192.0	177.8	158.8	164.3	165.5	185.1

Sources: District Personnel Records

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher-Student Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2005	946	\$ 13,959,384	\$ 14,756	8.74%	76	1 to 12.45	912.0	865.0	0.72%	94.85%
2006	970	15,007,214	15,471	4.85%	79	1 to 12.48	931.0	900.0	2.08%	96.67%
2007	1,005	16,391,280	16,310	5.42%	85	1 to 11.82	951.5	902.2	2.20%	94.82%
2008	989	16,833,383	17,021	4.36%	85.5	1 to 11.57	987.4	928.8	3.77%	94.07%
2009	977	17,359,414	17,768	4.39%	87	1 to 11.23	955.5	905.1	-3.23%	94.73%
2010	1,018	17,475,490	17,166	-3.39%	87	1 to 11.70	965.9	914.2	1.09%	94.65%
2011	1,002	16,779,242	16,746	-2.45%	85.5	1 to 11.91	1,002.4	946.9	3.78%	94.46%
2012	972	17,513,459	18,018	7.60%	86.5	1 to 11.24	943.4	895.8	-5.89%	94.95%
2013	977	17,953,922	18,377	1.99%	85.25	1 to 11.46	961.3	908.0	1.90%	94.46%
2014	958	18,573,921	19,388	5.51%	80.00	1 to 11.98	945.3	900.3	-1.66%	95.24%

Source: District Records

(a) Operating expenditures equal total expenditures less debt service, capital projects and capital outlay.

(b) Teaching staff includes only full-time equivalents or certificated staff.

(c) Average Daily Enrollment and Average Daily Attendance are obtained from the year end School Register Summary report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>District Building</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Delaware Valley Regional High School (1958)	150,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000
Capacity (students)	840	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020
Average Daily Enrollment	946	970	1,005	989	977	945	1,002	943	966	945

Number of Schools at June 30, 2014
High School = 1

Source: District Facilities Office

Year of original construction is shown in parentheses. Increase in square footage and capacity are the result of renovations and additions. Enrollment is based on the annual October district count.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

UNDISTRIBUTED EXPENDITURES-REQUIRED MAINTENANCE FOR
SCHOOL FACILITIES 11-000-261-XXX

*School Facilities

Fiscal Year Ended	Delaware Valley Regional High School		Total	
2005	\$	59,364	\$	59,364
2006		72,985		72,985
2007		64,470		64,470
2008		199,868		199,868
2009		186,197		186,197
2010		159,439		159,439
2011		239,246		239,246
2012		179,706		179,706
2013		244,549		244,549
2014		363,977		363,977
	\$	1,769,801	\$	1,769,801

*School facilities as defined under
EFCFA (NJAC 6A:26-1.2 &
NJAC 6:24-1.3)

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2014
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Commercial Package Policy-NJ School Boards Assoc.		
Insurance Group:		
Property-Blanket Building & Contents	\$ 56,555,101	\$ 5,000
Equipment Breakdown	100,000,000	5,000
Comprehensive General Liability	10,000,000	
Automobile	10,000,000	1,000
Electronic Data Processing	1,500,000	1,000
Blanket Position Bond	100,000	1,000
Public Employees' Faithful Performance-Selective Insurance Company:		
Business Administrator	250,000	
Treasurer	200,000	
School Board Legal Liability-NJ School Boards Assoc.		
Insurance Group:		
Policy Limit	1,000,000	5,000
Worker's Compensation-NJ School Boards Assoc.		
Insurance Group:		
Employers Liability	2,000,000	
Student Accident Insurance-NJ School Boards Assoc.		
Insurance Group through Merkel Insurance Company:		
Policy Limit	5,000,000	25,000

Source: District Records

SINGLE AUDIT SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
Fax # (908) 689-8388
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INDEPENDENT AUDITOR'S REPORT

October 17, 2014

Honorable President and
Members of the Board of Education
Delaware Valley Regional High
School District
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Delaware Valley Regional High School District, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements, and have issued our report thereon dated October 17, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board of Education's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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INDEPENDENT AUDITOR'S REPORT

October 17, 2014

Honorable President and
Members of the Board of Education
Delaware Valley Regional High
School District
County of Hunterdon, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Delaware Valley Regional High School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB State Grant Compliance Supplement that could have a direct and material effect on each of the Board of Education's major federal and state programs for the year ended June 30, 2014. The Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB 04-04. Those standards, OMB Circular A-133 and NJ OMB 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of The Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

William M. Colantano, Jr.

**Report on Schedules of Expenditures of Federal Awards Required by OMB Circular A-133
and Expenditures of State Financial Assistance Required by NJ OMB 04-04**

We have audited the financial statements of the District as of and for the year ended June 30, 2014, and have issued our report thereon dated October 17, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 04-04 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, SCHEDULE A
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2013	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2014		
											Accounts Receivable	Deferred Revenue	Due to Grantor
US Department of Education Passed Through State Department of Education: Special Revenue Fund													
NCLB Title I Part A	84.010A	NCLB- 105014	\$ 17,474	07/01/2013- 06/30/2014			\$ 7,562	\$ 17,474			\$ (9,912)		
NCLB Title I Part A	84.010A	NCLB- 105013	13,746	09/01/2012- 08/31/2013	\$ (13,746)		13,746						
NCLB Title II Part A	84.367A	NCLB- 105013	12,049	09/01/2012- 08/31/2013	(12,049)		12,049						
NCLB Title II Part A	84.367A	NCLB- 105014	11,848	07/01/2013- 06/30/2014			4,931	11,848			(6,917)		
IDEA Basic	84.027	IDEA- 105013	180,204	07/01/2013- 06/30/2014			180,204	180,204					
IDEA Basic	84.027	IDEA- 105013	186,456	09/01/2012- 08/31/2013	(8,475)		8,475						
Total Special Revenue Fund					(34,270)	\$ -	226,967	209,526	\$ -	\$ -	(16,829)	\$ -	\$ -
US Department of Agriculture Passed Through State Department of Agriculture: Enterprise Fund:													
Food Donation Program	10.550	N/A	13,529	07/01/2012- 06/30/2013	991			991					
Food Donation Program	10.550	N/A	17,256	07/01/2013- 06/30/2014			17,256	16,471				785	
National School Lunch Program	10.555	N/A	31,228	07/01/2012- 06/30/2013	(1,958)		1,958						
National School Lunch Program	10.555	N/A	37,799	07/01/2013- 06/30/2014			35,627	37,799			(2,172)		
Total Enterprise Fund					(967)	-	54,841	55,261	-	-	(2,172)	785	-
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ (35,237)	\$ -	\$ 281,808	\$ 264,787	\$ -	\$ -	\$ (19,001)	\$ 785	\$ -

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, SCHEDULE B
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2013		Cash Received	Budgetary Expenditure	Repayment/ Adjustment	Balance June 30, 2014			MEMO	
				Deferred Rev. (Accts. Rec.)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
State Department of Education													
General Fund:													
Equalization Aid	14-495-034	\$ 3,173,700	07/01/2013-										
	-5120-078		06/30/2014			\$ 3,173,700	\$ 3,173,700					\$ 308,018	\$ 3,173,700
Categorical Special Education Aid	14-495-034	592,662	07/01/2013-										
	-5120-089		06/30/2014			592,662	592,662					57,520	592,662
Categorical Transportation Aid	14-495-034	116,642	07/01/2013-										
	-5120-014		06/30/2014			116,642	116,642					11,320	116,642
Categorical Security Aid	14-495-034	74,763	07/01/2013-										
	-5120-084		06/30/2014			74,763	74,763					7,256	74,763
Adjustment Aid	14-495-034	21,693	07/01/2013-										
	-5120-085		06/30/2014			21,693	21,693					2,105	21,693
Extraordinary Special Education Costs Aid	13-100-034	96,484	07/01/2012-										
	-5120-473		06/30/2013	\$ (96,484)		96,484							96,484
Extraordinary Special Education Costs Aid	14-100-034	261,010	07/01/2013-										
	-5120-473		06/30/2014				261,010		\$ (261,010)				261,010
Nonpublic Remote Transportation Aid	13-495-034	13,802	07/01/2012-										
	-5120-014		06/30/2013	(13,802)		13,802							13,802
Nonpublic Remote Transportation Aid	14-495-034	8,470	07/01/2013-										
	-5120-014		06/30/2014				8,470		(8,470)				8,470
On-Behalf TPAF Pension Contribution-Post Retirement Medical	14-495-034	436,951	07/01/2013-										
	-5095-001		06/30/2014			436,951	436,951						436,951
On-Behalf TPAF Pension Contribution-Non-Contributory Insurance	14-495-034	21,615	07/01/2013-										
	-5095-007		06/30/2014			21,615	21,615						21,615
On-Behalf TPAF Pension Contribution-Normal Costs and Accrued Liability	14-495-034	244,880	07/01/2013-										
	-5095-006		06/30/2014			244,880	244,880						244,880
Reimbursed TPAF Social Security Contribution	13-495-034	459,674	07/01/2012-										
	-5095-002		06/30/2013	(23,147)		23,147							459,674
Reimbursed TPAF Social Security Contribution	14-495-034	475,437	07/01/2013-										
	-5095-002		06/30/2014			451,996	475,437		(23,441)				475,437
Total General Fund				(133,433)	\$ -	5,268,335	5,427,823	\$ -	(292,921)	\$ -	\$ -	386,219	5,997,783
State Department of Agriculture													
Enterprise Fund:													
State School Lunch Program	13-100-010	2,147	07/01/2012-										
	-3350-023		06/30/2013	(257)		257							2,147
State School Lunch Program	14-100-010	2,204	07/01/2013-										
	-3350-023		06/30/2014			1,960	2,204		(244)				2,204
Total Enterprise Fund				(257)	-	2,217	2,204	-	(244)	-	-	-	4,351
TOTAL STATE FINANCIAL ASSISTANCE				\$ (133,690)	\$ -	\$ 5,270,552	\$ 5,430,027	\$ -	\$ (293,165)	\$ -	\$ -	\$ 386,219	\$ 6,002,134

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2014

NOTE 1. GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Delaware Valley Regional High School District. The Board of Education is defined in Note 1 (A) to the Board's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule of federal financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and (D) to the Board's basic financial statements.

NOTE 3. RELATIONSHIP OF BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison schedules are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to PL 2003, Ch 97 (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferred and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$21,378) for the general fund and (\$5,352) for the Special Revenue Fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Local</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund			\$ 5,406,445	\$ 5,406,445
Special Revenue Fund	\$ 3,685	\$ 210,339		214,024
Food Service Fund		55,261	2,204	57,465
	<u>\$ 3,685</u>	<u>\$ 265,600</u>	<u>\$ 5,408,649</u>	<u>\$ 5,677,934</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2014

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 5. OTHER

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2014. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2014.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Federal Awards (Cont'd)

Dollar Threshold used to Distinguish Between
Type A and Type B Programs:

NOT APPLICABLE

Auditee qualified as a low-risk auditee

 Yes No

State Awards

Dollar Threshold used to Distinguish Between
Type A and Type B Programs:

\$ 300,000

Auditee Qualified as low-risk auditee

 X Yes No

Type of Auditor's Report Issued on Compliance
for Major Programs:

Unmodified

Internal Control Over Major Programs:

1. Material weakness(es) identified?

 Yes X No

2. Reportable conditions identified
that are not considered to be material
weaknesses?

 Yes X No

Any Audit Findings Disclosed That are Required
to be Reported in Accordance with NJ OMB
Circular Letter 04-04?

 Yes X No

Identification of Major Programs:

<u>GMIS Numbers</u>	<u>Amount</u>	<u>Name of State Program</u>
14-495-034-5095-002	\$ 475,437	Reimbursed TPAF Social Security Aid
14-495-034-5120-089	592,662	Categorical Special Education Aid
14-495-034-5120-078	3,173,700	Equalization Aid
14-100-034-5120-473	261,010	Extraordinary Special Education Costs Aid

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

SECTION II-FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs for the year ended June 30, 2014.

SECTION III-FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended June 30, 2014.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

K-7

There were no prior year findings or questioned costs.